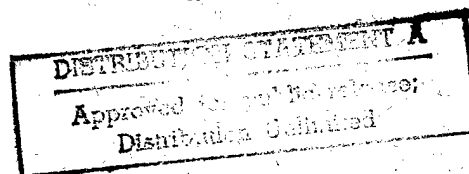


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6 June 1983



# Latin America Report

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6 June 1983

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No. 2687

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## ENERGY MINISTER NOTES DIFFICULTY IN PETROLEUM FORECASTING

Port-of-Spain TRINIDAD GUARDIAN in English 30 Apr 83 p 1

[Text]

THE LOCAL petroleum industry, continuing its downward slide in the face of an unstabled international price situation, yesterday had geologists in a fix about hazarding predictions for 1983.

"While we wish not to be prophets of doom and/or gloom," said Energy Minister, Mr. Patrick Manning, yesterday's discussion he noted, did not lend itself to the kind of conclusions that may have emanated from such talks in the middle and late seventies.

Speaking of the economic consequences of a petroleum industry on the downturn, Mr. Manning, in declaring open the one-day seminar sponsored by the Geological Society at the Hilton, said, "they are reality and are here with us for better or worse."

He cited the various declines in the industry — both abroad and at home that have created a situation which made forecasting very difficult.

There was a sharp decline for petroleum products, some three years ago, which seemed likely to remain weak.

OPEC crude output has also declined steadily — from a record high of 31.3 million barrels per day in 1977 to almost 18.5 million barrels per

day in 1982, with a possible further dip to 17 million barrels per day in 1983.

In Trinidad and Tobago refinery utilisation was no more than 35 per cent of capacity — from a capacity of 305,000 barrels per day down to 115,000 barrels.

Mr. Manning also noted that there was also an increasing decline for the heavier ends like fuel oil, and the lighter and more expensive products like motor gasoline.

In the prevailing situation Mr. Manning found it testing to come up with a reasonable prediction for the immediate future.

"The Trinidad and Tobago oil industry and national economy are no more than a microcosm of the larger system," he said.

"The adversity, he said, stemmed from two causes — price and production decline.

The most recently revised production estimates revealed a decline from 177,050 barrels daily in 1982 to a projected 156,000 barrels daily for 1983. "When the crude price reduction is taken into account the overall picture reveals by one recent industry estimate, a shortfall in anticipated revenues in excess of (TT) \$600 million in 1983," said the Minister.

BRIEFS

DRILLING OF NEW WELL--Trinidad-Tesoro has begun drilling on the second of two semi-exploratory wells on Platform "D" of the company's Galeota operations. The well, "D 16," was spudded late last month and is being drilled to a depth totalling 2,100 metres. Drilling is expected to be completed by the first week in May. [Text] [Port-of-Spain TRINIDAD GUARDIAN in English 30 Apr 83 p 7]

CSO: 3298/581

## CARICOM TRADE PROBLEMS HAVE IMPACT ON AREA SHIPPING

Kingston THE DAILY GLEANER in English 9 May 83 p 12

[Text]

The trade impasse which is affecting the Caribbean Community (CARICOM) has had serious repercussions for intra-regional carriage of freight, according to General Manager of the West Indies Shipping Company (WISCO), Mr. Sherman Thomas.

WISCO is the official CARICOM shipping line, and is owned by governments of the twelve-nation community, with the largest blocks of shares owned by the governments of Trinidad and Tobago and Jamaica, a WISCO release on Thursday said.

Trade between the countries of the region has recently been severely reduced due to the imposition of trade and fiscal restrictions by several governments. As a result, the WISCO release continued, their vessels plying intra-regional routes are sailing with severely reduced loads.

The CARICOM Enterprise, one of two WISCO vessels deployed within the region, recently sailed from Kingston with the lowest load factor experienced over the past two years.

Mr. Thomas said that the Corporation was presently forecasting a reduction of freight during the second quarter of 1983, of 40-50 per cent compared with the first quarter.

He said WISCO was keeping in close touch with shipping agents throughout the region in order to maintain a clear picture of the effect which the trade and fiscal restrictions were having on regional trade and consequently on the carriage of freight.

In addition, he said that WISCO had developed a strategy which



focusses on making every cent count, in the face of downturn in cargo. This strategy included the collection of outstanding money due to the Corporation, the stopping of credit and the sensitization of staff to areas where cost can be reduced.

With regard to the vessels currently deployed within the region, Mr. Thomas said that the current low volumes of carriage might force the Corporation to move one of the two vessels onto an extra-regional route.

WISCO currently has one vessel plying a route between Trinidad and Miami, with a north-bound stop in Jamaica. However the Corporation has been investigat-

ing the possibility of extending service on this route in response to requests from regional shippers.

Mr. Thomas also stated that WISCO would continue negotiations currently in progress with a view to acquiring two additional vessels for its fleet. This reflected the Corporation's conviction that the

present trade disruption were temporary, Mr Thomas said. In the long run, he added, the additional vessels would be important to the development of regional trade.

WISCO is the only shipping line which serves all the territories of the Caribbean Community on a regular scheduled basis.

CSO: 3298/582

## TRINIDAD-TOBAGO WEIGHS UPPING GUYANA TIMBER PURCHASES

Georgetown GUYANA CHRONICLE in English 23 Apr 83 p 4

[Text]

A team of Trinidadian timber experts left here for home last evening, confident that Trinidad would be able to increase her timber imports from Guyana in the very near future.

The team, which was here on a one-week fact-finding visit, was satisfied with its findings so far, and pointed out that Trinidad may be able to buy some of the lesser known species of Guyana's woods.

A feasibility study is to be carried out by the two countries for the establishment of a preservation and seasoning wood plant. One factor the experts will have to consider is which country will be the ideal location for the proposed plant.

On the three-man Trinidadian team were Selwyn Dardaine, Deputy Conservator of Forests; Merlyn Ramjohn, engineering controller of the electricity commission; and Mark Pantin, of the

housing task force.

Dardaine, appointed specially by the Chambers Cabinet to explore the possibility of increasing timber trade with Guyana and to identify joint ventures which the two countries could undertake, said that within recent times Trinidad had been experiencing some difficulties with importation of Caribbean pine, principally from Honduras.

Faced with this problem, the Trinidad building industry was now looking for alternative sources of suitable timber for its construction work.

Dardaine told newsmen in Georgetown yesterday afternoon that on his return home he would have to submit recommendations to the Chambers government for approval before any trade agreement could be signed with the Guyana government.

At present Trinidad needs over 4,000 low-

income low-cost prefabricated houses per year. Guyana has the capacity of supplying only 1,000 units.

In discussion with the Guyana Forestry Commission, the Trinidadian team was told that the Commission could fulfil the demand by supplying lumber for the other 3,000 units.

Greenheart is ideal for structural and external uses and 12 other species of mixed hardwood are suitable for internal walls.

The Commission had spoken of a special price offer, should the agreement be reached. The Trinidadian government is to respond to the offer within two months.

If the offer is accepted, then Guyana's timber sales to Trinidad per year will be increased over 15 times. Guyana is supplying Trinidad with just over one million board measurement of timber a year. SASE PARASNATH.

## CARIBBEAN INDUSTRY, COMMERCE GROUP MEETS, NAMES OFFICERS

## New Executive Board

Bridgetown THE NATION in English 26 Apr 83 p 10

[Text]

THE Caribbean Association of Industry and Commerce (CAIC) yesterday announced its new 12-member executive and board of directors which were elected at its 28th annual general meeting in Trinidad last week.

Top Trinidadian businessman Thomas (Tommy) Gatchliffe was chosen to take over as president of the Caribbean's leading private sector organisation from Barbadian John Stanley Goddard. Gatchliffe will serve for two years.

Seven vice-presidents elected are: Sam Mahfood (Jamaica) - vice-president-at-large with special responsibility for membership; Clovis Beauregard (Martinique/Guadeloupe) - vice-president-at-large with responsibility for CAIC relations with members outside the Caribbean

Community (CARICOM); Roy Collier (Jamaica) - vice-president for economic development; Sidney Knox (Trinidad and Tobago) - vice-president for business/government relations; Peter D'Aguiar (Guyana) - Vice-president for training; Will Kelsick (St. Kitts-Nevis) - vice-president for technical assistance; and Len Hackshaw (Trinidad and Tobago) - vice-president for organisational affairs.

Grenadian Richard Menezes was elected treasurer and Dominican Norman Rolle as secretary. The two other members of the committee are ex-officio members, Barbadian John Stanley Goddard and CAIC executive director Pat Thompson. (CANA)

## Membership Drive

Bridgetown THE NATION in English 26 Apr 83 p 10

[Text]

THE Caribbean Association of Industry and Commerce (CAIC), the region's leading private sector organisation, will shortly launch a campaign to attract more members, the Association said yesterday.

The decision was taken at the association's 28th annual general meeting held in Trinidad last week. A 12-member task force, headed by Jamaican Sam Mahfood, was appointed to carry out the task.

Its other members are: Michael King (St. Kitts-Nevis),

Norman Rolle (Dominica), Noel Walling (Antigua), Ornan Monplaisir (St. Lucia), Franklyn Young (St. Vincent), Richard Menezes (Grenada), Michael Brassington (Guyana), Ken Gordon (Trinidad and Tobago), John Patterson (Barbados), Shervin Thompson (Bahamas), and Clovis Beauregard for the French, Dutch and Spanish-speaking Caribbean.

The CAIC now has a membership of approximately 100 from the English and French speaking Caribbean. (CANA)

## BRIEFS

CARICOM TRADE REGULATION--Bridgetown, Barbados, May 8 (CANA)--A commission to look into the violation of trade regulations in the Caribbean Community and expansion of the CARICOM Secretariat in Guyana are among recommendations expected to go before Heads of Government during their next summit in Trinidad and Tobago next July, highly placed sources said today. The sources said it was generally felt that the Secretariat would need staff to handle the regions large volume of intra-regional trade and the enormous amount of foreign exchange involved. The 12 governments here, meeting in Port-of-Spain on July 4, would be asked to appoint a permanent independent Trade and Tariff Commission to investigate complaints and take decisions on its own, the sources said. This is to assist in policing the rules of origin, following complaints that some countries were importing goods from outside the region, changing labels, and exporting the products as made in CARICOM, thereby benefitting from duty-free concessions. [Text] [Kingston THE DAILY GLEANER in English 9 May 83 p 1]

CSO: 3298/582

## TRADES, LABOR UNION CONFIRMS SUPPORT FOR ALP GOVERNMENT

St Johns THE WORKERS VOICE in English 20 Apr 83 p 1

[Text]

The Antigua Trades and Labour Union wishes to re-state its Association with the A.L.P. Government. The Union which is the industrial arm of the Labour Party would like to assure all and sundry that we whole heartedly supports the A.L.P. and its policy. However the Union reserves the right to offer critical support when necessary. We intend to maintain our independence in matters affecting our members and the working class as a whole in Antigua and Barbuda. We have received a few complaints from some of our die-hard supporters and some Government ministers also that at times the Union mouth-piece the Workers Voice has been critical of individual ministers. We offer no apology for this. As long as the name of the present individual remains as Editor of this publication, the paper reserves the right to be constructive, critical of any one in or out public office.

Quite often we have allowed incidents to pass

without comment for obvious reasons, as other times we consider our duty to comment.

For instance, quite recently we have been a bit confused on statements made by some of our leaders concerning our foreign and economic policies.

The Prime Minister has at all times enunciated a policy of close alignment with the Reagan administration and its policies even towards Grenada and its so-called International Airport. Yet not so long ago we heard another statement quite contrary, concerning the same Airport from the foreign minister. We also heard the PM views concerning the I.M.F. and its policy towards Antigua and Barbuda, yet the minister of Finance has presented us with a view which is not exactly the same.

Therefore in spite of some of the ranting and raving of some persons the Workers Voice would always support candid Govt. policy, but lend critical support of some decisions of ministers with which we do not agree.

## CENTRAL BANK REVIEW SPOTLIGHTS NATIONAL DEBT

Nassau THE TRIBUNE in English 20 Apr 83 p 1

[Article by Athena Damianos]

[Text]

IF THE Bahamian working population had to service the \$447.4 million national debt, each person would have to pay an average of almost \$1 million a year on the interest alone.

This staggering figure was arrived at by a leading economist during a discussion on the Central Bank's Quarterly Review for the final 1982 quarter.

The Review, which was released Monday, shows that the total national debt was \$447.4 million at the end of last year.

The Review said the inclusion of the contingent liabilities of public corporations of \$96.7 million had increased the total national debt to over \$400 million figure.

Last month, however, government borrowed another \$35 million to carry out this year's capital development projects.

"What this means is that for almost every working person, we're paying back an average of \$1 million in interest a year," the economist said.

The economist pegged the adult working population at 60,000. He arrived at the \$1 million figure by using the conservative interest rate of 15 per cent on government's loans.

The Quarterly Review also shows that the balance of payments posted a deficit of \$12.2 million in the final quarter of 1982, "a marked improvement from the \$31.8 million recorded a year earlier."

"It should be noted, however, that this improvement largely reflects developments on the capital account related to a drawdown by Government on an existing foreign loan," the Review says.

The economist said that while the statement over the balance of payment position was accurate, it "painted a picture that is false."

"They've told us that they had a deficit, and would have had a greater deficit if the Government couldn't drawdown on a loan," the economist said. In other words, Government has had to borrow to pay on previous borrowings.

He felt the loan the Quarterly Review referred to was "probably in relation to the Hotel Corporation's project" on Cable Beach.

The Review says Government made an "additional" drawdown of \$20 million "of its \$150 million loan facility" and reduced its foreign liabilities by \$3.5 million.

Government got approval from the House in May, 1981, to borrow \$150 million from a consortium of banks brought together by the Bank of Nova Scotia. The \$150 million was to be "used for further lending to the Hotel Corporation and to enable the Government to guarantee certain contractual obligations of the Corporation."

An earlier Quarterly Review, for the period ending March, 1982, showed Government had to borrow \$20 million from the Cable Beach Hotel project loan.

According to the Review for the final quarter, the building and construction sector posted a \$1.4 million or 4 per cent decline in the final quarter of 1982.

Inflows from property purchases by foreigners were lower at \$1.8 million, or \$1.5 million below the corresponding period in 1981. The economist felt that land sales to foreigners continued to decline as a result of the Immovable Property Act.

Outflows on account of property sales to Bahamians declined by \$500,000 to \$2.1 million.

## STUDENTS, TEACHERS UNION CONTINUE DISPUTE WITH GOVERNMENT

## Mistreatment Charge; Police Denial

Nassau THE TRIBUNE in English 20 Apr 83 p 1

[Article by Athena Damianos]

[Excerpts]

**POLICE** Commissioner Gerald Bartlett today denied reports that unnecessary force was used against students from C C Sweeting and R M Bailey High Schools who took part in last Wednesday's march for jobs.

At a press conference called to deal with the charges, Mr Bartlett said that from the reports of his senior officers on the scene, he was satisfied that no unnecessary force was used, but that the officers "acted with the firmness and tolerance the situation demanded."

Mr Bartlett also took issue with remarks made by Bahamas Union of Teachers President Leonard Archer and published in the morning paper on April 15.

He also quoted part of an article from the morning paper of April 19 that "the BUT said it is appalled by the 'unnecessary force' used by the Police against the students and added that church leaders can no longer stand idly by in silence while defenceless children are beaten and manhandled by police."

The Tribune also published the BUT statement.

Mr Bartlett said he would like Mr Archer to identify the girl who was apprehended by the Police and name the students who were manhandled.

The girl who was reportedly apprehended was identified in the morning paper of April 15. The Tribune was also given the girl's name by students who said they witnessed the apprehension, although her name did not appear in The Tribune. A number of students told The Tribune the girl from C C Sweeting was pushed into a police car and later released.

Mr Bartlett said the Police estimated that about 300 R M Bailey students took part in the demonstration with only around 20 students from C C Sweeting demonstrating.

However, both Tribune and Guardian reporters told Mr Bartlett this morning that they saw only about 100 R M Bailey students taking part in the protest. The Tribune, which followed the demonstration from the beginning with three photographers and two reporters saw about 200 C C Sweeting students in the demonstration. The children in school uniform - grey and blue for C C Sweeting and red and white for R M Bailey - were easy to identify by school. There were far more C C Sweeting students in the demonstration than R M Bailey.

Mr Bartlett said he was prepared to accept personally any complaint of brutality and investigate it fully.

## Student Reiteration of Charges

Nassau THE TRIBUNE in English 21 Apr 83 p 1

[Article by Anthony Forbes]

[Excerpt]

**FOUR C C Sweeting** students told a teachers union rally last night that they were roughed up and pushed against walls by police when they tried to march to Bay Street last week to present a petition to Parliament.

One of the students said she saw a "big, big" police officer in "brown clothes" hit a student from R M Bailey over the head, while another girl was "slammed in the chest" and pushed up against a wall around Government House grounds.

Most of the students accused a certain officer (whose number they gave) for carrying out most of the "pushing" and claimed another policeman (number also given) did some of the pushing as the students marched towards Gregory's Arch on Market Street.

The claims by students Dennis Dames, Lisa Thurston, Beverley Johnson and Cleo Mitchell came after a denial at a press conference earlier in the day by Police Commissioner Gerald Bartlett that "unnecessary force" was used against the marching students on Wednesday, April 13.

Mr Bartlett, who claimed the march was illegal, challenged Teachers Union President Leonard Archer to identify a girl student, reportedly arrested, and said he would investigate any complaints of police brutality.

Mr Archer told his audience last night that the students have given the evidence that the Commissioner wanted and that officers were also named.

He demanded an investigation into the conduct of the officer named by the students.

## BUT Leader's Remarks

Nassau THE TRIBUNE in English 21 Apr 83 pp 1, 12

[Article by Anthony Forbes]

[Excerpts]

**LEONARD ARCHER** principal of Government's R M Bailey Senior High School, declared last night that he does not intend to suspend or expel any student who took part in last week's protests unless he gets specific instructions from the Education Minister to do so.

"If I get his instructions then I have to do it," said Mr Archer, president of the Bahamas Union of Teachers. "But until then I do not intend to suspend or expel any student from this school for taking part in the demonstrations."

Mr Archer's remarks came as he addressed a union rally to support C C Sweeting Senior High School students, who were suspended for two weeks by principal Mrs Mary Churtum for their part in the demonstrations.

In his address to just over 100 students and teachers outside BUT headquarters, Mr Archer called on Commissioner of Police Gerald Bartlett to investigate allegations that the police used force against the students as they tried to march to Bay Street to deliver a petition to address parliament.



Mr Archer commended the students for the high degree of intelligence and organization they showed in their second protest since the formation of the Students National Action Party (SNAP) to press for better conditions in government schools.

"They understand, even if Mr Bartlett doesn't, that if a few of them, a delegation from high schools attempted to present a petition to parliament, the police would conveniently see to it that they never reached," he said.

"They understood that the only way to get past the police was to go in large numbers," said Mr Archer. "They understand what is happening in this country, even if the adults don't."

Urging the students to keep on marching, Mr Archer said it was interesting to see the response from the Ministry of Education, which he called the "Mystery of Education."

Mr Archer noted that Commissioner Bartlett, in his

denial of brutality charges against the police during the demonstration at a press conference yesterday, did not deny that force was used. He only denied that unnecessary force was used, said Mr Archer.

"Any force against students demonstrating for jobs is totally unnecessary," said Mr Archer. "The police should have escorted the students to parliament for them to present their petition and then escorted them back to school."

Mr Archer told his audience that he has been under police surveillance since February. A police car is always parked across from the school in front of Holy Family Church on Robinson Road, he said.

He said he has been subjected to numerous questions by uniform and plainclothes officers.

"I am damn tired of this," Mr Archer said. "Leave me alone. Go and catch the people who are raping and robbing and maiming. I have had enough of this damn

#### PLP Organ's Comment

Nassau THE HERALD in English 22 Apr 83 p 4

[Text]

**THE sixteen and seventeen year olds are entering their final terms in high schools. All across the country in private and public high schools teachers are reaching the end of their periods of instruction, and readying their students for those first GCE examinations.**

**IT is a heady and emotional experience. The examinations are tough work. The students are quickly realising that their days as boys and girls are fast coming to a close. Soon they will be on the streets looking for jobs and fighting in the real world.**

**FORMER Senator Mizpah Tertulien talked about this period in the life of a human being. She once said that it is marked by a propensity toward gregarious activity. Translated into**

**layman's terms it means simply that when you are 16,17, or 18, you tend to like to hang out in groups. You tend to think that the togetherness which you happened to strike upon when you are a youngster in high school will last a lifetime. You often hear the sentiment "if only we can go through life like this together."**

**UNFORTUNATELY, it can't happen. Life simply does not work that way. Every generation has tried it. Every high school graduating class believes it, but it can't work.**

**THERE are several persons that Lisa Thurston, who seems to be the de facto leader of SNAP, should talk to if there are any doubts about what we say. You could talk to Sean McWeeney, a former head of a group**

called UNICOM, a previous student group. You could talk to Franklyn Wilson and Francilia Lockhart Bosfield, both of whom left their period of idealism far behind them. You could talk to Charles Fawkes, Lionel Carey, Sammy Bain and Carlton Martin. All of them know what it is to have reality meet idealism face to face. They can tell you that when the choice is between idealism or reality, invariably reality wins out.

SO, we say to Miss Thurston and members of the C. C. Sweeting movement: you are not the first, and you are not the last to believe in the kind of ideal situation of which we spoke at the beginning. We don't bejudge your idealism. It is a necessary phase in which you have to pass. Beware of all . . . particularly those who stroke you and tell you all is well, be they PLP or FNM, Miller or McCartney.

OUR only point from the PLP is that we believe that our Prime Minister and leader is the best. We believe he has proven it time and time again, and we say talk to him before you do anything else. SNAP can not last in the long run.

#### Student Meeting

Nassau THE TRIBUNE in English 22 Apr 83 p 4

[Article by Anthony Forbes]

[Excerpts]

**SNAP LEADER** Dennis Dames said Wednesday that the student party is still "very much alive" and is only asleep awaiting rejuvenation to strike back twice as hard as before.

"Despite the ineffective efforts of the hierarchy, SNAP is still very much alive," said the 17-year-old student leader. "We are only asleep awaiting rejuvenation for us to strike back twice as hard as before."

Dames was one of three student leaders who addressed a group of over 100 teachers at a rally in support of the students of C C Sweeting and SNAP members who were suspended for two weeks for taking part in last week's march to Bay Street.

Dames said SNAP decided to take to the streets again on Wednesday, April 13, to march for something "we thought was very important to the students and the unemployed of the country."

"Unemployment is not a problem that just happened yesterday, for the past few years I have had people in my family who have left school and who are still looking for jobs, and I am sure that you have someone in your family who has been out of school from 1978-79 and are still looking for jobs," he said.

"As a result of our efforts to deliver a petition to the Speaker of the House of Assembly, the only response we got was a suspension slip to stay home for two weeks," he added.

He said SNAP executive members have proven that although they are still a young movement, they have the ability to achieve success in whatever they undertake.

"It is evident that with determination and stickability it is possible to fight any force, however strong it may be," he said. "The snake has only been scorched. It is still crawling."

Another SNAP member,

Michael Fountain said unemployment is a serious problem in the Bahamas.

Fountain said the students and youth must lead the struggle against unemployment and must march unafraid of the beatings police have given them and will give them in the future.

"We are confident that SNAP will survive despite the pressures from the Prime Minister, the Minister of Education, the police and Mrs Churtum (principal of C C Sweeting)," he said.

He said he will never forget the "brutality" of the police and the suspension of his comrades, and that SNAP lives in the heart of every Bahamian who stands up willingly and unafraid for a better life.

"SNAP's struggle will continue for as long as the government does not do its job," he said. "Find us jobs by July 1 or there will be marches around and throughout the land."

## Report of BUT Dissension

Nassau THE TRIBUNE in English 25 Apr 83 p 1

[Article by Athena Damianos]

[Text]

**BAHAMAS UNION** of Teachers president Leonard Archer, who says he is under police surveillance, today strongly suspected that an outside attempt is being made to "destabilize the union."

And, he said that if anybody thinks they can silence him on certain issues through intimidation, "they had better think again."

Mr Archer was responding to weekend rumours that a number of teachers are in the process of collecting enough signatures to have him and secretary-general Haldane Chase removed from their executive positions.

The morning paper quoted a "hierarchy member" of the union as saying that press statements are being made by the two executives without the approval of other union officers. The unnamed "hierarchy member" also claimed that the union's plans to invite former Jamaican Prime Minister Michael Manley to address the AGM in July "lends weight to speculation that the union's leadership has socialist leanings."

Mr Archer this morning said he knew nothing of the petition and denied that the two points raised in the morning paper - the release of press statements and the Manley invitation - were at issue.

He said the decision to invite Manley was made only after the executive had unanimously agreed to it.

On the question of press releases, Mr Archer said union's

policy is that everything has to be discussed and approved at the executive level before a statement can be issued, although this rule might be broken in special circumstances. The executive might not see the actual draft, but they know of the contents.

"It's really ridiculous that somebody is trying to make an issue over this," Mr Archer said. "I see the whole thing as

an attempt to destabilize the union. Obviously, somebody outside is using somebody inside to do it."

He said the purpose behind it is to make the executive, particularly himself and Mr Chase, "jumpy" to divert their attention from pressing national issues.

"If this is the game, of course two can play this game as well and if they think that by creating a little disturbance in the union it is going to stop us from addressing the national issues like unemployment, they are very wrong," Mr Archer warned.

He said that as a citizen, he has as much right as the Prime Minister to speak out about issues that concern him.

On the question of being recalled as president, Mr Archer said: "I take the view that if the majority don't want me to be president, the constitution gives them the means with which to do it (have him step down). If the majority of the members want someone else, I have no qualms. It's up to them. There are other things I can do with the time I spend on union business." He said he was

surprised that "a member of the executive" was so lacking in moral courage that he didn't want to be identified.

He challenged the member to shed his anonymity so the rest of the members will know

"whether we're dealing in fiction or fact."

Asked if the small turn out of teachers at last Wednesday's rally called in support of suspended CC Sweeting students for leaving school to demonstrate indicated their lack of support, Mr Archer said that the teachers have never really strongly supported any issue other than a pay raise.

"If we are going to call ourselves nation builders, I think we've got to do something about it."

Mr Archer said that the police were watching him probably because they thought he was going to get students to demonstrate.

"That goes to show the extent of the paranoia that is going on in the community," he said. "People are afraid, even teachers."

Only last Wednesday, Mr Archer told the rally that he has been under police surveillance since CC Sweeting High students boycotted classes for a week in February to protest the terrible physical conditions at the school.

Mr Archer said the police have been to R M Bailey Senior High, where he is principal, to ask "silly" questions, such as whether he knew the students would demonstrate.

Mr Archer and Mr Chase have been outspoken in their support for the students who have demonstrated.

## HOUSE COMMITTEE PROBING ELECTION VIOLENCE MEETS

Nassau THE TRIBUNE in English 16 Apr 83 p 1

[Text]

THE HOUSE committee appointed under the chairmanship of FNM Leader Kendal Isaacs to investigate political violence has had its first meeting to arrange future business.

No date has as yet been set for the second meeting when it is expected witnesses will be called.

The committee is to investigate violence and its relationship (if any) to politics during the period 1970-72, particularly the events of Lewis Yard, Grand Bahama, the 1970 no-confidence vote in the Prime Minister in the House of Assembly and the Perpall Track murder of Barry Major.

A former PLP Deputy Speaker of the House of Assembly, Henry Bowen, was the first person to offer to go before the committee as a witness. In a letter to Mr Isaacs he said he wanted his evidence to be heard publicly. Mr

Bowen was a member of the PLP during the period under investigation and was the PLP member for West End, Grand Bahama and Bimini.

FNM chairman and Pine Ridge MP Cecil Wallace Whitfield asked for the committee to be appointed.

Included in the five-member committee appointed by House Speaker Sir Clifford Darling were two Cabinet Ministers - Deputy Prime Minister and Minister of Finance Arthur Hanna and Minister of Housing and National Insurance Hubert Ingraham, who recently headed the influence-peddling committee involving Everette Bannister, friend and "confidante" of Prime Minister Pindling.

Other members of the committee are Mr Orville Turnquest (FNM-Montagu) and Ervin Knowles (PLP-Cat Island).

CSO: 3298/584

## NEW INDONESIAN AMBASSADOR PRESENTS CREDENTIALS

Nassau THE TRIBUNE in English 22 Apr 83 p 5

[Text]

**THE INDONESIAN** Ambassador to the Bahamas, His Excellency Ali Alatas, presented his letters of credentials to Governor-General Sir Gerald Cash at Government House Thursday morning.

Mr Alatas said his government is interested in sharing whatever experiences and capabilities it may have in certain fields with other developing countries. He said his government is also eager to learn from the experiences and expertise of others.

"In working to enhance mutual cooperation between the Bahamas and Indonesia, I shall not fail to devote particular attention to these aspects as well," Mr Alatas said.

In accepting his credentials, Sir Gerald told Mr Alatas, that although there are many miles separating the two countries, this has not stopped a friendly

and cooperative relationship from being established between the countries since the Bahamas became independent almost a decade ago.

"Indeed our two countries have worked closely together in international fora in the pursuit of common objectives which include an international order based upon independence, justice, peace, mutual respect and the non-interference in the internal affairs of states," Sir Gerald said.

Sir Gerald also said that the Bahamas, like Indonesia, is working steadily for the realization of the national goals and social justice for all its people.

He congratulated Mr Alatas on his appointment and assured him that he would be willing to assist him in his efforts "to foster even closer ties between the Republic of Indonesia and the Commonwealth of the Bahamas."

## BRIEFS

DEATH OF FNM SENATOR--Free National Movement Senator George Thompson, 62, died at a Florida hospital at 3 o'clock this morning when he developed serious complications after suffering two heart attacks almost two weeks ago. Mr Thompson, described as a "courageous man who always stood up for what he believed," was rushed to the Florida hospital by air ambulance at 8 o'clock last night. Senator Thompson was a founding member of the Free National Movement and was elected to the House of Assembly for the first time in 1968 when he ran as a PLP candidate for Central Eleuthera. Senator Thompson was one of eight PLP members--later to be known as the "Dissident Eight"--who supported the vote-of-no-confidence against the Prime Minister. Senator Thompson ran unsuccessfully in the 1972 and 1977 general elections. He was appointed an Opposition Senator after the 1982 general elections. [Excerpts] [Nassau THE TRIBUNE in English 18 Apr 83 p 1]

CSO: 3298/584

## OPPOSITION FINANCE SPOKESMAN VOICES CRITICISM OF BUDGET

## IMF, Debt Problems

Bridgetown BARBADOS ADVOCATE in English 29 Apr 83 p 1

[Text]

Opposition Shadow Minister of Finance, Dr. Richie Haynes, yesterday urged the Barbados Labour Party Government to get out of the International Monetary Fund's stand-by arrangement after charging that the country had been "sneaked into the IMF net at a time when it was insolvent, but not bankrupt."

Dr. Haynes was replying to Prime Minister and Minister of Finance, Mr. Tom Adams, Budgetary Proposals for 1983-84 which raised an additional Bds\$17.6 million in revenue while granting some Bds\$13.1 million dollars in concessions.

Mr. Adams' proposals were delivered last Wednesday.

In his reply Dr. Haynes charged that Barbados was now caught in a "debt trap" and there was a clear indication that the country's public debt, which was \$258 million in 1976, would reach \$280.9 million at the end of December, 1982, while the domestic debt was \$473 million, and the total debt was \$760 million.

He however, said there was a snag in that the Central Bank of Barbados did not make provision for public guarantee debt and indications were that external public and public guarantee debt would rise to more than Bds\$600 million this year.

The Shadow Minister of Finance said he was particularly concerned about the structure of the public debt which had risen from Bds\$400 000 in 1975 to Bds\$121 million in December, 1982 from institutions.

Dr. Haynes declared the real problem was "when you borrow from institutions such as the IMF you are not only borrowing money but you are borrowing decisive influences on your domestic policies."

"You can see this in relation to electricity in relation to other aspects of energy, and in relation to agricultural pricing."

The Opposition spokesman said he was not urging the Government to abandon its capital works programme but called for a greater phasing of these projects which would bring in short and medium term foreign exchange.

"As it stands now," Dr. Haynes said, "we are in the debt trap. There is no question about it."

He said that the national debt would now be Bds\$850 million. When one added the public guarantee debt the figure would be over one billion dollars, he added.

The Shadow Minister of Finance also charged that the fiscal deficit for Barbados was averaging over Bds\$100 million

a year despite Bds\$2.8 billion in revenue and this was reflected in the national debt, in Barbados debt charges, and in external borrowing.

Dr. Haynes produced graphs to show that there was a dramatic rise on defence spending while he said there was controlled spending on agriculture.

The Opposition spokesman then declared: "It was a question of whether you want guns or food...and we should be putting more priorities on food rather than guns."

Dr. Haynes felt that the Minister of Finance had fallen into a bad habit of raising taxes all year round. He said, "This year's Budget did not reflect any confidence as a revenue-raising measure."

He charged that the tax relief concessions were for the high income bracket earner and that the population as a whole had already been "soaked with high taxes".

He said the problems would not be eased with the imposition of an increased health levy, where consumption taxes were increased on soft drinks and where licences for public utilities were raised.

As far as he was concerned all these impositions on companies will be passed on to an already tax-burdened public.

Dr. Haynes also said that the increased charge for idle arable land would create further hardships for people who had land but did not have the capital to bring it into production.

Instead, he felt the Government should provide positive inducements for agriculture.

He claimed the Minister of Finance had nothing to offer the country and had effectively "shifted the tax burden from the 'have' to the 'have nots' since the measures will push up prices way beyond any tax generated.

### Crisis in Tourism

Bridgetown BARBADOS ADVOCATE in English 29 Apr 83 p 1

[Text]

Opposition Shadow Minister of Finance, Dr. Richie Haynes, said yesterday that tourism is in a state of crisis and suggested that to be corrected there would be a need for 85 000 visitors to come to the island at the 1980 hotel rates.

The Opposition spokesman was delivering the Opposition's reply to the 1983 Budgetary Proposals announced on Wednesday.

Dr. Haynes said that in 1979, some 370 960 visitors came to Barbados while in 1982 there was a drop of 67 000 with only 303 778 visitors arriving. The bed occupancy rate dropped from 76.4 per cent to 49 per cent while the bed availability had risen from 11 400 to 14 400 and in the meantime the credit to the industry had risen from \$60 million to \$125

million.

He termed this "a very serious matter", adding, "that kind of planning has resulted in the upward movement of prices domestically in relation to the tourist industry."

Dr. Haynes also contended that there were other serious domestic problems such as attitudes to visitors and crime.

The Opposition spokesman disclosed that only Curacao did worse than Barbados in tourism last year.

Stating that something was fundamentally wrong, he pointed to the period 1976 to 1979 (while displaying a chart to the House of Assembly) and said the industry took a wrong turn in 1979, and he blamed the Ministry of Tourism and the Ministry of Finance.



Bridgetown THE NATION in English 29 Apr 83 p 1

[Text]

**THE purchase of the assets of Mobil Exploration Limited, was one of the worst deals that the Barbados Government has ever entered into, said Opposition spokesman on finance, Dr. Richie Haynes, yesterday in his reply to the 1983/84 Budget.**

He said that the International Monetary Fund (IMF) had informed the Government that Mobil had intended to close down all its non-United States-based small oil operations.

Haynes told the House of Assembly that Mobil was trying to sell its assets in Barbados and could not find a buyer. He said that the best offer of \$2 million was made in New Jersey.

Continuing, Haynes said that the Barbados National Bank (BNB) tried to raise money from the Morgan Guaranty Trust Company, but this company decided that Mobil would not be a valuable investment.

But Haynes said, the Government went ahead and got an off-shore loan of US\$13 million "organised by Mobil to offload

that particular asset on Barbados through off-shore banking".

The Opposition spokesman declared: "It is almost incredible that that kind of thing could have taken place in Barbados."

Haynes said that one could anticipate that many of the smaller refineries of Mobil in the West Indies would close down, with the exception of those in Curacao.

Beginning his reply, Haynes said it was his considered judgement, after a study of the Budgetary Proposals and Financial Statement, delivered yesterday, that they were an insult to the nation.

Haynes added that they constituted further than ever, a reinforcement of the fiscal programme which the Government has to implement to the stand-by arrangement with the IMF which the Government took the country into.

He said that Barbadians were concerned because tourism and the sugar industry were in a state of chaos; manufacturing was facing major difficulties; workers were losing their jobs every day, and subjected to an iniquitous wages policy; the economy was reading high interest rates, and credit unavailability, excessive taxation, and the society was seeing the deleterious effects of gambling and illicit drugs.

Haynes charged that there was clear evidence of widespread corruption, mismanagement of the economy, chronic insolvency problems, wastage of public funds, and the public debt and the public guarantee debt was now approaching the level of \$1 billion.

He said that the cost of living had reached such a stage that

every person in Barbados, irrespective of his economic position, was complaining from day to day; the political directorate was clearly divided at the top, middle and the bottom; hunger and deprivation affected many citizens; the sovereignty of the island had been abandoned to the management of the economy by the IMF, and the whole economy was in shambles.

Referring to talk about the international situation, Haynes said that the general impression that came across, "is that we are not only financially insolvent, but we are intellectually bankrupt and we are just waiting, sitting there to see what is happening in the outside world".

He said it was important to give people confidence so that they would know what taxes they would have to pay during the next fiscal year. There was a bad habit of raising taxes all year round.

Haynes referred to tax relief in high income groups and said that on the other hand, the population, as a whole, had been soaked with other taxes.

He cited the health levy of \$8 million that was imposed, and said that no decision had been taken as to how the \$8 million collected last year would be utilised.

Haynes said that on top of the health levies, there was an increase in the cost for every single service offered by the Government at the Queen Elizabeth Hospital.

He said there was another \$8 million on "sweet drinks", and described this as a rather surreptitious way of offering another price support to the sugar industry.

## BRIEFS

PROPERTY TAX ARREARS--Government is taking steps to collect millions of dollars owed in property taxes and other revenue, said Parliamentary Secretary in the Ministry of Finance, Senator Sinclair Howell, yesterday. Howell warned that the law had made certain provisions for collecting this money, including the sale of property of those people who owed the Government money. He was speaking after a two-hour tour of the Land Tax Office at Cumberland Street, and the Valuation Division at the National Insurance Building, on Fairchild Street, City. [Excerpt] [Bridgetown THE NATION in English 22 Apr 83 p 1]

PUERTO RICO TRADE HOPES--Trade relations between Puerto Rico and Barbados are already flourishing. But Puerto Rican officials are bent on intensifying trade. To this end, an 11-member trade mission is in Barbados seeking other markets. Barbadian products exported to Puerto Rico last year were valued at over \$15 456 554, while the import bill reached \$7 750 335. Barbados' biggest imports were textile fabrics and perfumery, cosmetics and toilet preparations. This country imported \$1 929 584 worth of textile fabrics from Puerto Rico last year, as compared to \$1 208 422 in 1981. The perfume and cosmetics bill stood at \$745 458 last year compared to \$527 100 in 1981. Local manufacturers exported \$7 987 500 in women's and girl's brassieres and textile materials in 1982, as compared to \$5 971 567 in 1981. Nearly \$7 million worth of electronic tubes, transistors and other related electronic crystal componenets were sold to Puerto Rico in 1982--the first year for such exports. The trade mission will provide Barbadian businessmen and importers with information about products manufactured and distributed in Puerto Rico such as stainless steel sinks, plumbing materials, tiles, automotive parts and accessories and hotel and restaurant supplies. [Text] [Bridgetown THE NATION in English 26 Apr 83 p 3]

CSO: 3298/586

## REPORT ON OFFICIAL VISIT TO UK, U.S., BRITISH DEFENSE ROLES

Belize City THE BEACON in English 23 Apr 83 pp 1, 2

[Text] Radio on Tuesday gave a report on the recently completed one-week official visit to Great Britain by the Deputy Prime Minister and Minister of Defence and Home Affairs, C.L.B. Rogers, and his Permanent Secretary, Michael Hulse.

The visit, which was sponsored by the Foreign and Commonwealth Office (F&CO) and arranged by the Central Office of Information, included discussions with various British Government and Commonwealth Secretariat officials and a number of tours. Rogers and Hulse had discussions with the Minister of State at the F&CO, Mr Cranley Onslow; the Minister of State in the Ministry of Defence, Mr Peter Blaker, and the Military Assistance Officer and with Sir Shridath Ramphal, Secretary-General of the Commonwealth.

Rogers and Hulse toured the Surrey Fire Brigade Training Centre in Peigate; the British Broadcasting Corporation; the Commonwealth Secretariat; as well as Lowes in the Isle of Wight, where they viewed work on 2 patrol vessels for the Belize Defence Force (BDF) at the shipyard at W.A. Sorter & Son; and Hurn Airport at Bourne Mouth to inspect 2 aircraft for the BDF being built by Pilatus Britten Norman.

The 2 aircraft, to arrive here next month, are of the "Islander" type used by MAYA Airways. They will be employed for maritime surveillance. The patrol vessels, we have learnt, will be 75 footers and will carry a crew of 8.

Both the aircraft and the vessels are provided by the British Government under the terms of a bilateral defence assistance agreement.

Coincidentally, on Tuesday our offices were visited by Chief Simeon Ison of the United States Navy, Military Liaison Officer at the U.S. Embassy. He denied that the United States was preparing to assume the role now played by the British in Belize's defence. However, we learnt from him that 15 soldiers of the BDF leave for naval officer training in Panama next month at the U.S. Southern Command Headquarters.

Chief Ison revealed that his primary role is arranging for the training of BDF soldiers under the terms of the Belize-U.S. security assistance agreement. He also mentioned that shortly the crews for 2 patrol vessels, each to carry a complement of 60, should leave for training in Panama.

A U.S. Embassy spokesman confirmed that next month 15 BDF soldiers will leave for Panama. However, he denied knowledge of any 60-man crew patrol vessels whose crew will be trained this year. He revealed that this year the U.S. will provide a DC-3 transport aircraft to the BDF.

CSO: 3298/587

## SUPREME COURT MAKES BENCHMARK RULINGS ON GOVERNMENT POWERS

Belize City THE REPORTER in English 10 Apr 83 pp 1, 12

[Text]

TWO BENCHMARK RULINGS by the Supreme Court of Belize this week will go a long way to protect the rights of public officers and restore public confidence in the inviolability of the Belize Constitution.

In one of the first tests of fundamental rights invoking the constitution since independence, the Chief Justice Mr. George Moe has ruled that the Minister of Education does not have the authority to arbitrarily transfer Lecturers of the Belize Teachers College to other teaching institutions against their will.

In another epoch-making decision the Chief Justice ruled that the Governor General exceeded her constitutional authority when she ordered that half the salary of government Senior Economist, Mr. Brian Card be withheld pending hearing of charges for his dismissal.

The Supreme Court found that while the Constitution authorizes the Governor General to interdict a public officer (and such an inter-

diction would lead automatically to temporary suspension from the public service), it confers exclusive jurisdiction on the Public Service Commission to exercise disciplinary control over a certain category of senior public officer.

Both appeals questioning the excesses of the Minister of Education and the Governor General were brought by the Public Service Union and were successfully argued by Mr. Michael Young, LL.B, Attorney at Law. The first was brought on behalf of a group of lecturers of the Belize Teachers College who in 1981 were summarily transferred to other schools by the Minister of Education, who is also Attorney General and chief legal adviser to the Government. The second was brought on behalf of Mr. Brian Card, Senior Government Economist, whose pay was arbitrarily reduced to half by the Governor General even before the Public Service Commission had had an opportunity to consider his case.

## PAPER DISCUSSES LACK OF POLITICAL POWER FOR NATION'S BLACKS

Belize City AMANDALA in English 15 Apr 83 p 2

[Editorial]

[Text] Black Belizeans rejoiced quietly following Tuesday night's Chicago mayoral victory of Democrat Harold Washington over Republican Bernard Epton.

For the last 50 years in Chicago, whoever won the Democratic Party nomination would win the mayoral election by healthy and comfortable margins over the Republican nominee. In fact, the Democratic Party nominee was always considered a shoo-in until 1983, when the Democratic Party nominee happened to be black.

Large amounts of Democrats expressed their racism by defecting to the Epton camp; the Epton camp designed its propaganda to appeal to the racial prejudices of whites. But fortunately, the racists failed. The American democratic system has worked.

And while American blacks have many valid complaints against the American system, American blacks are the wealthiest and most technologically advanced blacks anywhere in the world. And their political influence is beginning to catch up with their economic strength and educational qualifications.

In the case of Belize, official government policy has discouraged any talk of race over the last 27 years. But visitors here from the Caribbean have remarked that Belize seems headed in the direction of Panama and Nicaragua which have minority black populations which have no political power and marginal economic participation. Visitors from the Caribbean are astounded that Belizean children are not taught any African history or studies whatsoever.

The pattern is evident in Cabinet. Of 13 people in the Cabinet only 3 are blacks and of these three one has stated publicly that he does not consider himself black, one is a public cuckold, and the other is so selfishly and single-mindedly dedicated to self-aggrandizement that he he was not elected by his own constituency.

The pattern is that since 1956 and the split in the People's United Party, there has not been a single black of pride, dignity and integrity in the executive leadership of the government. There are just a few black faces who

put their own pockets and comforts above the welfare and conditions of their people, and they rationalise the conditions by saying that what exists is what the people want.

In such a scenario, one must appreciate the dedication of the Hon Philip Goldson who has been the only black politician on the national level who has not succumbed to forces and temptations which are, at their root, racist.

Blacks in Belize have been encouraged to remain in relative ignorance and inefficiency. The government has practised the handout syndrome, diverting resources from other areas of the economy to maintain pockets of supporters who by now believe that they can live without working as long as they vote PUP and the blue and white is in government.

Independence has affected this cozy relationship between a corrupt government and those it keeps on permanent dole. Regional and international financial institutions have been investigating how the Belize government spends money and what they have found is that the Belize government spends money without accounting and auditing.

The Belizean worker now has to compete regionally and internationally. He has to produce. PUP politicians under independence find that when they interfere in the economy to pamper and protect supporters, capital flees abroad and foreign investors lose interest. So these same supporters, who had been promised milk and honey under independence are now unemployed, hungry, and on the verge of becoming criminals.

The tragedy of these people was visited upon them by politicians interested only in the consolidation and increase of their own power. The facts of life were never explained to black people in this country. We have been left in the ignorance of colonialism. Our PUP leaders found it more convenient to exploit our ignorance than to educate us. Worse, they persecuted anyone who tried to educate black people. Educators of the black people were called racists and teachers of violence.

Time has now proven who are the real racists--the ones with the fancy titles and the high positions.

NOTE: In postscript, it should be mentioned that socialist arguments have to become attractive to blacks under the circumstances. Socialists and communists blame the capitalists for all economic ills. Indeed, free enterprise appears to have failed in Belize. The newspaper maintains, however, that free enterprise had unique opportunities to succeed here. The failure was caused by politicians whose goal is absolute power. Repeated interferences in the market place to achieve POLITICAL as opposed to economic goals have made the Belizean economy destitute. As we have written elsewhere, this is not a mixed economy; it is a MIXED-UP economy.

Everybody is confused except George Price. And that is the way he has intended it from ever since. All it means is more patients for the Wednesday clinic.

CSO: 3298/587

CANADA INDICATES READINESS TO TAKE SALVADORAN REFUGEES

Belize City BELIZE SUNDAY TIMES in English 1 Mar 83 pp 1, 16

[Text] Canadian immigration officials have been coming to Belize periodically in the past few months to interview Salvadoran refugees who may want to migrate to Canada.

Presently in Belize is Claudette Deschenes of the Canadian Embassy in Mexico City. She has been approached by more than 200 Salvadorans during the past week, some of them with their families.

But not all of them can go. Some do not qualify as refugees and others have already adapted to life in Belize, says the Canadian official.

The Canadian government is implementing a programme that will allow some 2,000 refugees from Latin America to migrate to Canada. Of this amount 450 will come from Belize, most of them Salvadorans but also some Guatemalans and Hondurans.

The Canadian government provides passages to Canada and also assists the refugees in finding homes and jobs and educational facilities. Except for the passage, which is given in the form of a no-interest loan, all other assistance they get is free.

Some of the refugees are in Belize illegally but this is no obstacle to their being accepted to migrate to Canada.

The Inter-Governmental Committee of Migration, an international organization based in Geneva, is assisting the Canadian government in making the arrangements for the refugees to travel to Canada.

CSO: 3298/573



## REPORTS OF RIGHT-LEFT RIFT IN PUP AS CITY ELECTIONS NEAR

## Criticism of Price from Right

Belize City THE BEACON in English 23 Apr 83 pp 1, 2

[Text] As the date of the convention for the selection of candidates of the People's United Party (PUP) to contest the upcoming Belize City Council elections approaches, the rift within the PUP continues to deepen.

The right wing of the PUP is charging that Party Leader George Price has allowed the left wing to have things very much their way in all confrontations between the two factions. In fact, the rightists have voiced the fear that Price has apparently abandoned them and thrown his weight solidly behind the forces of the left.

Reports are that former PUP Secretary General Mark Cuellar, who is a victim of the left's drive to take over the Party, is bad-mouthing the Party whenever and wherever he finds a willing listener. Also, PUP City Councillor Danny Meighan, undoubtedly a maverick in the sight of Price and the left, has returned from the United States.

Meighan's return promises some interesting development since he has proved to be the only rightist to have publicly challenged Price and what appears to be the leftist juggernaut.

## Rumor of New Chairman

Belize City THE BEACON in English 23 Apr 83 p 1

[Text] Belize City, Thurs., April 21--Reports reaching us today from an impeccable source state that the Minister of State, Hon Vernon II Courtenay, will be the new Party Chairman of the People's United Party (PUP).

It is said that Minister Courtenay has the blessings of Party Leader George Price and of the entire left wing of the PUP.

## Prediction of Leftist Dominance

Belize City AMANDALA in English 15 Apr 83 p 1

[Text] Belize City, Fri. April 15--With just six weeks to go till the crucial May 29 national convention of the ruling People's United Party, the Hôn Philip Goldson (UDP Albert representative) told AMANDALA this morning it is his opinion that the PUP left wing will immobilize the right wing in a confrontation.

"The left is more aggressive, organized and has an objective program whereas the right has an image of seeking only personal advantage," said Mr Goldson. He pointed out that he did not want it to seem as if he supported the left; this was just his objective assessment.

Furious infighting is going on within the PUP and it may be that the party will split for the first time since 1956. In the 1956 power struggle, now PUP Leader and Prime Minister George Price won a power struggle against Leigh Richardson and Philip Goldson, who had to leave the party. Mr Goldson subsequently became leader of the opposition National Independence Party.

The 1956 power struggle involved the choice between West Indies Federation, supported by Richardson and Goldson, and a Central American destiny, Price's program. So there were undercurrents of race involved.

The 1983 power struggle involves ideology. The Shoman/Musa faction is socialist in orientation, while the Sylvester/Hunter group favours complete free enterprise. Whatever the results of the struggle, Mr Price will remain as Leader of the PUP. But a split in the ruling party would weaken its chances in City Council elections later this year and general elections next year, thus threatening Mr Price's position as Prime Minister.

CSO: 3298/587

## SUGAR INDUSTRY OFFERS FORMULA WITH LOSSES FOR FARMERS

Belize City THE REPORTER in English 1 May 83 pp 1, 12

[Text] Reports that Belize Sugar Industries, the local sugar millers of the north, have threatened to close off their Libertad operations in Corozal unless they can re-negotiate a better deal with cane farmers were confirmed this week by an official of the Belize Cane Farmers Association.

The official, who prefers not to be identified at this time, said BSI want a five percent increase off the top on all sugar sales. Cane farmers are opposed to this plan since it would mean that they, the growers, would get five percent less for their cane.

Under the present formula cane farmers get 65 percent of whatever the sugar sells for to cover their costs of production, cutting and hauling. BSI get 35 percent (approximately \$21,875,000 last year). BSI are now saying that they cannot operate on this and need no less than 40 percent of the take.

According to BSI the company has lost some \$18 million during its last three years of operation, due principally to the low price for Belize sugar that the company has been receiving. Now the company wants to turn around the flow of red ink by persuading the Management Committee of the Corozal Cane Farmers Association to give its approval for the formula change.

Corozal cane farmers are resolutely opposed to any tampering with the formula and have warned their Management Committee of dire consequences if this elected group of eight Branch Chairmen tries to resolve this question on their own. Cane farmers express open skepticism over the reputed loss of \$18 million and say they want to verify these figures before there can be any talk of an accommodation with BSI.

At their branch and divisional meetings cane farmers are taking the view that their Association ought to secure the services of its own independent consultant to go into the matter of reputed BSI losses and to make fair recommendations which would not put cane farmers, already hard-pressed, in further jeopardy.

Latest reports from Belmopan say, however, that the Government has now come down heavily in favour of the BSI proposal since this solution would cost the government nothing, and has been putting pressure on the branch officers to accept the BSI proposal without further questioning.

Last year cane farmers received \$40.6 million for their crop of 100,000 tons of sugar-cane. This was some \$10 million less than their earnings for the previous year. If Corozal cane farmers were to accept the proposed 60-40 formula proposed by BSI, they would in fact be giving up about \$1,500,000 based on last year's earnings. If the formula change is extended to Orange Walk as seems likely to happen if Corozal accepts, cane farmers would be contributing a total of \$3.5 million a year from their pockets to BSI (based on last year's earnings of \$62.5 million).

Cane farmers also want to negotiate for anticipated good times. Is BSI willing to make suitable re-adjustments if and when sugar prices improve? Is the company prepared to accept local shareholding in return for cash concessions? Or is it to be a one-way street where cane-farmers do all the giving and get nothing in return?

Privately, BSI officials admit that there is an acute solvency problem, and that "right now, things could not be worse." But the company has so far declined to make any public statement. Reliable reports say BSI would be willing to sell off its Libertad factory, but cane-farmers are not willing to buy it because of its old and decrepit condition. There is a Corozal group, known as Northern Millers Limited, who want to establish a cane grinding, sugar-making factory of their own in Corozal in association with a group of American investors.

Talks between Northern Millers Limited and BSI are continuing, and it is conceivable that something will be worked out between the two to bring relief to Corozal which is experiencing its worse days since the depression of the 1930's.

CSO: 3298/573

## UNIONS SAID TO FIND LITTLE TO CELEBRATE THIS MAY DAY

Belize City THE BEACON in English 30 Apr 83 p 3

[Text] This Sunday, May 1st will be Labour or May Day. Observance of the day, set aside to honour workers, will be postponed until Monday, the second.

However, the consensus in labour circles is that there is nothing to celebrate about. Most of the trade unions we have spoken to have no special plans to observe Labour Day. (The Christian Workers' Union plans a rally at Independence Hall and the United General Workers' Union plans a rally at its office).

In observance of May Day, the President of the Trade Union Congress, Mr Cyril Davis, who is also President of the Democratic Independent Union, has issued a message which takes the government of Prime Minister George Price to task for its bad treatment of workers--despite paying lip service to the cause of the Belizean worker.

The message criticises government's failure to ratify the conventions and recommendations of the International Labour Organization (ILO) (Labour Minister David McKoy religiously attends yearly ILO conferences); victimization of workers both in and outside of the Public Service; inaction in the face of mounting unemployment; and contempt for workers and trade unions.

It is obvious to all and sundry that the unemployment situation is getting worse. However, we were unable to get any official data on labour in Belize, much less figures on unemployment. Guesstimates put the percentage of the Belizean work force presently out of a job as high as 50 percent.

But what is worse, there is no comprehensive nor coherent measures either in process or being planned by the government to alleviate the worsening depression which has hit workers particularly hard. On the contrary, government's actions, as well as inaction, have made a bad situation worse.

CSO: 3298/573

BRIEFS

EARTH TREMOR--Reports from Punta Gorda, capital of the Toledo District say that a slight earth tremor rippled through the town on Thursday night, April 14 at 7:35 p.m. The tremor was not repeated and no damage has been reported. [Text] [Belize City THE REPORTER in English 24 Apr 83 p 6]

CSO: 3298/588

## DEPARTURE TAX ON CRUISE SHIP VISITORS INCREASED BY \$5

Hamilton THE ROYAL GAZETTE in English 23 Apr 83 p 5

[Text]

The House of Assembly yesterday approved a \$5 rise in the departure tax to be paid by cruise ship visitors — a week after the cruise ship season got into swing.

Finance Minister the Hon. David Gibbons had earlier this year tabled an amendment to the Passenger Tax Act 1972, increasing the tax from \$15 to \$20. But the amendment "died" when Parliament ended because of the February general election without it being considered.

And due to an administrative error the amendment was not put before the House in the first Parliamentary session after the election. So yesterday Mr. Gibbons asked that the House approve the increase and agree to it being backdated to April 1 as cruise passengers had already had the tax built in to their fares.

Mr. Gibbons said that about 130,000 cruise ship visitors were expected this year, with the extra \$5 boosting the tax income by

about \$650,000 to \$2.5 million.

Mr. Gilbert Darrell (PLP) asked why it was that cruise passengers had to pay a \$20 departure tax, while airline passengers were charged only \$5.

Mr. Gibbons said that Government tried to ensure that marine services were paid for by the shipping using them. In recent years an increase in containerisation had meant fewer cargo ships arriving, so cruise ships now had to pay a greater proportion of the overall cost.

Mr. Eugene Cox, the Opposition spokesman on finance, said he was concerned at the all-round increases in prices in Bermuda for tourists.

"I hope we are not pricing ourselves out of the market with all these increases," he said.

Mr. Gibbons said that as the cruise tax was already built into the fare charged by agents, it was not noticed as much as the tax paid directly by visitors leaving from the airport.

## BRIEFS

**BULLDOZING ISSUE**--Both the Chairman of the West End Development Corporation and the Director of Planning were on a trip to Tortola to look at a ferry boat when an area near Lagoon Park, Dockyard, was bulldozed. The bulldozing has become a political football leading to calls from the Bermuda National Trust and a PLP Somerset MP for the West End Development Corporation to be stripped of some of its powers. A high-speed ferry which could cruise from Dockyard to Hamilton in just 12 minutes is currently under consideration by the WEDC. The Tortola trip came to light yesterday when Commander Geoffrey Kitson, chairman of the Corporation, said he took an exploratory trip to the Virgin Islands two weeks ago to see the aluminium ferry in action. Commander Kitson's trip also included a one-day visit to Miami, where again together with Mr Adderley, he looked at "modular" types of housing which may be considered for Dockyard. It was while Commander Kitson was away that part of the forest land at Lagoon Park was bulldozed sparking a storm of controversy back in Bermuda. He declined to make any further comment on that issue. [Excerpts] [Hamilton THE ROYAL GAZETTE in English 22 Apr 83 pp 1, 11]

**ILLEGAL FIREARMS**--The increased use of illegal firearms in Bermuda led to a strong caution yesterday from Police Commissioner Frederick Bean. As a warning he outlined the penalties for flouting the law--the maximum being 14 years in prison. The Commissioner spoke out after Police received information that there was widespread possession of firearms, ammunition and other explosives. "It is, therefore, considered advisable to acquaint the public with the penalties, some of which are very severe," he said. Guns, he said, could fall into the hands of youngsters putting them at risk and could have tragic consequences for innocent people. Mr Bean appealed: "In the best interests of the community if persons who have knowledge of the whereabouts of illegal firearms, ammunition or explosives of whatever type there is a moral obligation to bring them to the attention of the Police, either directly or through our confidential code-a-phone." Under the Firearms Act 1973 the maximum penalty is 14 years in jail for discharging firearms and possession with intent to endanger life or damage property. Some sentences carry heavy fines as alternatives to imprisonment. [Text] [Hamilton THE ROYAL GAZETTE in English 22 Apr 83 p 1]

CSO: 3298/574



## ELECTION FAILURE PLUNGES PT INTO DISARRAY

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 1 May 83 p 4

[Text] The Workers' Party (PT) is in bad shape, its own leaders admit. After the election defeat, quite greater than projected, the party has been gripped by general despondency. The party units do not meet, many have abandoned the party, the regional executive directorates have wasted away and the party assemblies are more and more unattended.

"If we had to fulfill the requirements of the election law today, we would have difficulty in managing to legalize the PT," admitted the federal deputy and chairman of the Sao Paulo directorate, Djalma Bom. In some states, the PT did not manage to hold a single meeting after the elections and in others the party simply ceased to exist.

But many of its leaders, beginning with the national president of the party, Luis Ignacio da Silva, "Lula," believe in its viability and are again taking to the field to try to rebuild the party. All are unanimous in admitting that the party needs to change if it wants to guarantee its survival.

## Many Have Already Quit the Party

Weakened by the disconcerting defeat imposed by the ballot in November of last year when, contradicting every expectation, it elected a small number of councilmen and deputies throughout the country, the Workers' Party today appears disorganized today in the majority of the states and is fighting grimly to guarantee its survival. The number of members has decreased, the meetings have become more and more unattended and the defections more frequent, and even some of the party's most ardent defenders threaten to abandon it.

However, there are those who deny the party's crisis and trust in its viability, beginning with the national president of the PT, Luiz Iganacio da Silva: "I am very optimistic about the future of the party. First, because I am aware and have personally experienced the difficulties of organizing the working class. Second, because there is great receptivity for the program of the PT among the working class. What we need to do is to get the merely electioneering idea out of our heads and begin to understand that the work of organizing the working class is slow and difficult, but it is the only thing that will provide the real base for changing the prevailing political and economic picture."

Not many of his party members share that optimism. "Disenchanted and disorganized," is how State Deputy Lucia Arruda expresses the current situation and the state of mind of the PT members in Rio, who 5 months after the election have not yet succeeded in establishing guidelines for the reorganization of the party. On the contrary, having met four times to analyze the election results, the Rio regional directorate reached few conclusions and the meetings only served to reinforce the internal differences of the party.

In the opinion of Lucia Arruda, it is up to the PT to derive lessons from the defeat and assume an attitude of humility, a basic condition for its reorganization and survival. "We learned how much power the dominant classes have and how the political game is marked. But even so, I cannot imagine any party that has so much future promise," he declared.

In Minas, the only state deputy elected by the PT, Joao Batista dos Mares Guia blames the crisis on the "amateurishness of its organization." But even admitting the process of dismantlement undergone by the party after the elections--of the 212 directorates organized up to 15 November, only 110 are actually operating--the deputy believes in the survival of the party and in the work of its reorganization.

Even before elections, the Minas PT began to reveal splits that are now widening and jeopardizing party unity. The defeated candidate for federal deputy, union leader Wagner Benevides, former president of the oil workers union, accused leftist groups, mainly Socialist Convergence and the Centelha group--the latter an offshoot of the student movement--of seeking to assure control over the party. Another defeated candidate, Doctor Apolo Henriger, even rebelled against the PT leadership in Minas, revealing a "self-criticism" document of the party. Now the members of the executive committee want to start the work of reorganization, beginning at the regional preconvention scheduled for this month.

In some cases, the internal differences are aggravating the party's weakness. In Para, disappointed with the election results and with the party's courses, various PT members are abandoning the party. "I do not agree to stay in the party with such wings as Socialist Convergence or Libelu (Freedom and Struggle) which seek to impose the system that they represent when the program of the PT is to discuss what is the best socialist formula to follow," snapped Fernando Jorge Gusmao, defeated candidate for state deputy, who, like others, announced that he was joining the Brazilian Democratic Movement Party (PMDB).

According to Fernando Jorse, the Para PT is divided into various wings that hold parallel meetings which lead to nothing. And what is worse, since last month, the regional directorate has been under intervention by order of the national executive committee.

Defections have also been frequent. In many states, members were attracted by the PMDB, or the Democratic Workers' Party (PDT) in the case of Rio. However, there are those who remain affiliated with the party but who for

various reasons have ceased being active. In the small municipality of Santa Quitéria, 450 kilometers from São Luís in Maranhão, the PT should be a strong party inasmuch as, in addition to winning the city hall, it elected five new councilmen. But there also the party is weakening because of internal divisions. Each one has his wing: the priest, the doctor, the president of the chamber and Mayor Manoel da Silva.

The two best known leaders of the Maranhão PT do not seem to be interested in contending for the leadership of any wing. The chairman of the regional directorate has his permanent residence in Goiânia and the vice chairman is taking a master's course in Rio. The old headquarters, ironically located on Stifled Street, has become a local-food restaurant. And a good part of the former members have their luggage ready to move to the PDT.

#### Pause for Meditation

The PT practically died in Amazonas after the November elections, more by the lack of interest of its members than by the weakness shown by the party in terms of votes. In its attempts to make an assessment of the party, the regional directorate could not get together more than five of its 40 members. The losers abandoned the party out of disappointment or to guarantee their own political survival.

The big loser was former Senator Evandro Carneira, who obtained a little more than 5,000 votes when he attempted to be reelected. He does not spare criticism of his comrades, whom he abandoned after the elections to assume a technical position in the senate. "It is a party full of children wanting to have adult ideas. Basically, they are all imbeciles, a group of feeble-minded."

One of the founders of the PT in Manaus, Aldisio Filgueiras, does not share the pessimism of his comrades, who rolled up the party banner and turned elsewhere. In his opinion, the party is currently taking "a pause to meditate" and once the election results have been assessed, the struggle will continue. First, however, the party will need a new headquarters. Because of failure to pay its rent, the PT was evicted from the building it occupied.

In some states of the federation, the Workers' Party shows few signs of life. In Mato Grosso do Sul, the rout was so great that there is no one qualified to lead the party. The most prominent politician in the PT, former Deputy Antonio Carlos de Oliveira, defeated candidate for the governorship of the state, has taken refuge in Brasília in the office of his wife, Deputy Beth Mendes. In Acre, the defeated candidate for the governorship, Nilson Mourao, was unable to mobilize his party members for a campaign against the increase of bus fares last week. Another defeated candidate, João Maia da Silva Filho, who ran for the chamber, preferred to leave the party "to reorganize the rural unions" which, in his opinion, were hurt by politics.

In many states, the members of the PT, indifferent to the adverse results at the polls, the defections and difficulties of every type, believe in the reorganization of the party. In Paraíba, as soon as he recovered from

the trauma suffered on 15 November, when he was defeated for the governorship of the state, Derly Pereira began, and continues, to try to reorganize the party. In Alagoas, the president of the Urban Industrial Workers Union, Pedro Luis da Silva, asserts that "the PT is stopped, not dead." And even though reduced to the status of simple member after having been the chairman of the party's first provisional committee, he promises to roll up his sleeves to try to save the party. Leaderless, the Alagoas PT is a bunch of groups that hold discussions behind closed doors. The current chairman of the provisional committee, Jose Gomes, does not even know how many members the PT has. The same situation occurs in Sergipe despite the optimism of the party's secretary general, Antonio Gois.

In Rio Grande do Sul, the regional vice president, Raul Pont, admits that the party has been decimated by complete despondency. But the regional executive directorate holds weekly meetings and its leaders believe in the future of the PT. The same thing occurs with the party in Parana, where its leaders trust in the survival of the PT "because it is a political-ideological party."

Confident of a disastrous administration by Iris Rezende which would weaken the PMDB, the Goias PT, under the command of Professor Athos Costa e Silva, also maintains the hope of making the party viable. In the leader's opinion, it is only necessary to be "persistent in its objective." But the president of the Goiania directorate, Darci Arcorsi, believes that the only solution is for the PT to become a mass party and cease to be a party of intellectuals.

The Sergipe PT, which did not succeed in electing a single councilman, is moribund although the secretary general, Antonio Gois, believes that "the situation can be considered good compared with the situation of the party before the elections." The party has only 11 directorates in a state with 74 municipalities.

In Pernambuco, in four meetings, the party did not succeed in getting together more than 50 percent of the directorates. In Santa Catarina, the spirit of the members has not cooled in consequence of the election results and the party holds frequent meetings to discuss its program. But the quorum is always small. In Rondonio, despite the complete disorganization that even prevents the holding of meetings, the leaders still believe in the future of the PT.

"The PT in Rio Grande do Norte has not been shaken by the disappointment of the elections," asserts Rubens Lemos, defeated candidate for governor, who believes that the solution is "to mobilize the masses against the government and unmask the bourgeois opposition." And in Bahia, the PT at least shows more concrete signs of life. In addition to promoting frequent meetings, the party recently organized a noisy demonstration on behalf of direct elections for mayors of capital cities.

## In Sao Paulo, More Appeal Than Votes

[Article by Jose Maria Mayrink]

The units do not meet any more, there is a lack of a quorum in the directorates, a general despondency is noted and demobilization is a reality that no one can deny in the Workers' Party. With the euphoria of the election campaign over, it has become destabilized in Sao Paulo, the victim of the trauma which the results of 15 November meant for the members.

"If we had to fulfill the requirements of the election law today, we would have difficulty in managing to legalize the PT," confessed its most voted for federal deputy and chairman of the state directorate, Djalma Bom, confirming the pessimistic assessment that the secretary of the national executive committee, Francisco Weffort, outlined 2 weeks ago.

While Djalma Bom was speaking, more than a hundred delegates from the capital and the interior discussed the future of the PT in a side room. They called for more internal democracy; they criticized the leaders, denounced the paralysis of the units and studied a way of reducing the number of participants in the meetings and preconventions in order to guarantee the quorum that now appears impossible.

"In the cities in the interior, they did not understand the PT and nobody supports what it does not understand," complained the representative of Jau, revealing that his directorate has 200 members but did not succeed in getting more than 12 to the meetings.

"The PT aroused much more appeal than votes," observed the delegate of Jua (the party obtained 532 votes in his municipality). It won the support of other members but everyone acknowledges that the effort to increase the number of members before the election did not avail much "since many of them signed the card but ended up voting for the PMDB."

Paralysis, demobilization indifference, dispersal, dejection--the words vary but the diagnosis is the same: parliamentary leaders and members admit that the PT is in bad shape in Sao Paulo and are seeking a solution for its survival.

"The situation is difficult because in consequence of the bad election results, the PT organizations suffered a drain," said State Deputy Geraldo Siqueira Filho, admitting that it will not be easy to hold the conventions. Despite that, he believes in the future of the party if it returns to its roots "because the space is still open for the creation of a party that has ideological definition and unity around programs."

Geraldo Siqueira Filho believes that the PT needs to abandon excessively pretentious plans, forget its internal discussions a little and set aside the Manichean attitude of thinking that only the PT members are good and everybody else is a rouge.

"We want to have an ideological definition but it is necessary not to insist on that too much and instead move toward more concrete objectives, such as the contribution that the PT can give to the solution of transportation, health, work, union, and other problems. It is necessary to mate the two things--ideology and action--to reach a balance."

Deputy Jose Cicote, parliamentary bloc comrade of Geraldo Siqueira Filho, agrees with him. The party's proposals are very important and on that basis the organization can be saved, surmounting the difficulties that came after the elections.

His opinion:

"It is necessary to have an opening within the PT so that the units may be deliberate and not only consultative. It is necessary to create departments or committees for minorities, such as the negroes, retirees, youth, public workers, women... The despondency does not make much sense because we have improved since the last meetings of the national directorate. Two months ago, only four states were in a position to hold their conventions and now there are nine. In four others, it is going to depend on financial conditions."

Cicote believes that the PT must be concerned about supporting movements and groups but not fall into the error of drawing up a line for them to follow:

"In the unions, for example, it is not the party that is going to say how to conduct the struggle because it is necessary to respect the decision of the trade group. Lula also thinks that way and at the last meeting of the directorate, he approved the idea of committees or departments for minorities."

In the suburb of Ermelino Matarazza, 25 kilometers from the center of Sao Paulo, seamstress Emerentina Moura, provisional chairman of the district directorate, is already putting what the leaders discussed into practice.

"The important thing," she said, "is to make the people understand that the initiative for action depends on them and not on the party. It is difficult because the tradition in Brazil is exactly the opposite: everybody expects the government, from the president to the councilman, to do everything and correct all the errors."

Emerentina, who received almost 8,000 votes but was not elected councilwoman, believes that the PT will manage to survive, except that she does not expect it to grow easily:

"The problem is not to establish units and work with them. That helps but it does not resolve the problem. The most important thing is to achieve the objective of the people, to discover what the people want. The people were alarmed by the PT platform when the PT told them, 'We are the ones who

are going to do it," because they were not accustomed to that language. I believe in mass work and believe that the PT has to know what the people want. Not to make up the people's mind but to listen to the people."

The members from Ermelino Matarazzo and the neighboring districts, poor people of the periphery, do not receive any help from the party, nonetheless, they have not become discouraged with the election results. Despite the defeat, it was after 15 November that they drew up a list to pay the rent of 20,000 cruzeiros for the small room in which they established the headquarters of their directorate. Emerentina is thinking of establishing a women's unit to discuss more concrete problems.

That is also what activist Olga dos Santos Lima, 17 years old, has resolved to do; she did not see much to be achieved in party terms in the directorate of the Perdizes district. She worked with all her strength in the election campaign but no longer speaks with the same enthusiasm:

"I still use the little star of the PT; I have not quit the directorate but my work now is of a different kind. I joined a group of women to discuss the problems of the Brazilian woman; the place of woman in society, the values which society ascribes to her, the sexuality. We are going to distribute a questionnaire in the district to ask the women if that is really what they want to discuss."

Examples such as that of Olga, who is an activist but cannot yet join the PT, excite the leaders because it was in the party that she became aware of a problem that normally does not worry other young women of her age. She is the youngest participant in the group which sometimes meets in the headquarters of the directorate and sometimes in the society of friends of the district.

"Can it be that the thing is that bad, really?" asked Devanir Ribeiro, secretary of the PT Organization in Sao Paulo, after seeing the report presented by Francisco Weffort. In the state directorate, he plays with numbers and the numbers indicate a more encouraging situation: 78 councilmen, 9 state deputies, 6 federal deputies, 1 mayor...

"We grew in spite of everything. There were 224 municipal directorates during the elections; now there are 232 and they should reach 300 by the end of the year. We are working by goals (first the big cities, then the medium-sized and then the small ones...) and the goals are being achieved."

Djalma Bom and Francisco Weffort agree: after admitting that there is a general despondency among the units and directorates, they also believed that it was important at this time for the PT to set its feet on the ground and admit the shortcomings. The two assert that, despite everything, they are optimistic. Weffort even swears that no one was more optimistic than he at the meeting of the national directorate 2 weeks ago.

"If anyone had the contrary impression, it was because they only paid attention to the problems that I pointed out. But I also indicated the solution."

## IBGE: YOUTH HARDEST HIT BY UNEMPLOYMENT

Rio de Janeiro O GLOBO in Portuguese 21 May 83 p 51

[Text] Brasilia--In the Rio de Janeiro metropolitan region, 44.3 percent of the persons who were unemployed and seeking work during the month of February were between 18 and 24 years of age. That information comes from the Monthly Employment Survey (PME) conducted by the Brazilian Institute of Geography and Statistics (IBGE) and gives a clearer idea of the dramatic picture of unemployment in the country.

That month, there were 88,000 youths seeking employment out of a total of 200,400 persons looking for jobs in the labor market. In the Sao Paulo metropolitan region, the most recent figures available pertain to January. In greater Sao Paulo in January, 41.4 percent of the total number of persons seeking employment were youths in the 18 to 24 year-old bracket.

The IBGE survey showed a total of 352,655 persons seeking employment in the Sao Paulo metropolitan region in the month of January. Of that total, 146,000 were youths. It may appear that in relative terms the situation of Sao Paulo is better than that of Rio de Janeiro but it is necessary to remember that the unemployment level rose greatly in the Sao Paulo capital during the month of February.

These figures from the IBGE are used by experts of the Ministry of Labor and the Economic and Social Research Institute (IPEA) to show another negative aspect of the current economic stabilization program carried out by the government within the guidelines negotiated with the International Monetary Fund (IMF).

Until now, argues one expert, the government and the economists have been analyzing only the unemployment generated by the recessive policy being carried out. But no analysis thus far has focused on confirming that the mass of youth who are entering the labor market are not finding jobs.

Although the exact number is not known because there is no statistical survey in the country, it is estimated that 1.5 million additional persons enter the labor market each year. That number is estimated taking into account the total number of the economically active population (PEA) and the country's population growth rate.



In other words, in addition to the unemployment that is being caused by what the experts call the "wipe-out of jobs", we must also add the number of youths who are seeking employment for the first time and are not finding jobs.

The survey conducted by the IBGE gives only an idea of the dimension of that phenomenon, according to an IPEA expert. That survey has great limitations because it only takes into consideration those persons who are actually seeking employment and excludes those who have already stopped looking, those who have stopped looking temporarily, and those who are underemployed.

It is on the basis of those PME figures and in the certainty that that survey underestimates the current unemployment of the country's large metropolitan areas that the experts of the Ministry of Labor and the IPEA have already pinpointed the biggest victims of the country's current recessive situation: the youths who are entering the labor market.

According to the IBGE, There Are 1 Million Unemployed

In February, there were 11,461,700 persons employed in the country's six main metropolitan regions. According to the IBGE, the number of unemployed reached 917,114, of which 634,100 continued to look for work in the sectors in which they formerly worked. The other 283,014 persons were already looking for jobs in other sectors of the economy because they considered it difficult to get a job in their original occupation.

Civil construction was the sector that presented the highest rate of persons who continued to look for work in the same branch of activity. In Recife, for example, the percentage of unemployed who continued to seek employment in civil construction reached 14.16 percent of the personnel employed.

In the manufacturing industry also, the unemployment rates were high. In Sao Paulo alone, 130,000 persons insisted on continuing to seek employment in that sector, which represented 8.14 percent of the personnel employed.

In commerce, the average rate of unemployed who continued to seek employment in the sector reached 5.96 percent of the personnel employed, with Belo Horizonte being the metropolitan region where there was the largest number of unemployed who insisted on not changing occupation: 6.96 percent, that is, 8,400 persons.

However, the category "Other Activities" was the one that showed the lowest rate of unemployed who continued to seek employment in their original occupation: 0.26 percent of the personnel employed. In Sao Paulo and Belo Horizonte that rate reached 3.48 percent of the personnel employed.

Economically Active Population in February 1983

(1) Região Metropolitana		(2) Ind. Transformação	(3) Comércio	(4) Serviço	(5) Construção civil	(6) Outras atividades	Total
RIO DE JANEIRO	Pessoal ocupado	568.100	456.000	1.776.000	305.100	318.800	3.420.000
	Desocupados	37.500 (6,62%)	29.100 (6,38%)	70.500 (3,97%)	24.000 (7,87%)	5.700 (1,80%)	166.800 (4,88%)
SÃO PAULO	Pessoal ocupado	1.597.200	825.600	2.040.000	369.600	218.400	4.850.800
	Desocupados	130.000 (8,14%)	34.000 (4,13%)	87.600 (4,28%)	34.000 (9,20%)	7.600 (3,48%)	303.200 (6,25%)
BELO HORIZONTE	Pessoal ocupado	157.300	120.600	488.600	100.800	83.200	930.500
	Desocupados	11.000 (6,99%)	8.400 (6,96%)	24.400 (5,21%)	13.300 (13,18%)	2.900 (3,48%)	60.000 (6,45%)
PORTO ALEGRE	Pessoal ocupado	223.400	123.600	395.400	86.100	90.200	918.700
	Desocupados	12.600 (5,73%)	8.200 (6,63%)	18.500 (4,68%)	8.500 (9,87%)	2.800 (3,10%)	50.600 (5,53%)
SALVADOR	Pessoal ocupado	78.600	94.700	300.800	66.700	56.500	597.300
	Desocupados	4.900 (6,23%)	4.400 (4,65%)	10.100 (3,36%)	6.600 (10,19%)	900 (1,60%)	27.100 (4,54%)
RECIFE	Pessoal ocupado	107.100	128.900	343.400	57.900	107.100	744.400
	Desocupados	9.500 (8,87%)	8.200 (6,36%)	17.900 (5,21%)	8.200 (14,18%)	3.100 (2,89%)	46.900 (6,30%)
TOTAL	Pessoal ocupado	2.729.700	1.549.400	5.324.200	988.200	872.200	11.461.700
	Desocupados	205.700 (7,54%)	92.300 (5,88%)	239.000 (4,48%)	94.800 (9,61%)	2.300 (0,26%)	634.100 (5,53%)

Key:

1. Metropolitan Regions
2. Manufacturing
3. Commerce
4. Services
5. Civil Construction
6. Other Activities
7. Employed Personnel
8. Unemployed

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CSO: 3342/107

## VIACAVA COMMENTS ON IAA, PETROBRAS MONOPOLIES

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 6 May 83 p 26

[Excerpt] Rio--The director of the Foreign Trade Department of the Bank of Brazil (CACEX), Carlos Viacava, speaking in Rio yesterday, defended the privatization of sugar exports, currently monopolized by the Institute of Sugar and Alcohol (IAA), with the argument that the businessmen have much more efficiency to do that work than the IAA.

With regard to the oil-importing monopoly of the Brazilian Oil Corporation (PETROBRAS), Viacava expressed his complete opposition to the proposal of the president of the Brazilian Association of Exporters (AEB), Humberto da Costa Pinto Jr, to the effect that the monopoly should be abolished giving complete freedom to private enterprise for purchases of that product.

In Viacava's opinion, that liberalization of oil imports to the private sector is not possible because the state monopoly has become a "very powerful bargaining tool in the country's foreign trade." It is by virtue of that weapon that Brazil has been in highly favorable positions in its foreign trade, particularly in bilateral agreements, said the CACEX director. "PETROBRAS has performed a brilliant job in foreign trade, contributing appreciably to our foreign sales, which benefit national producers and exporters. To tamper with an important work such as that of PETROBRAS is undoubtedly rash," stressed Viacava.

The CACEX director, yesterday elected president of the administrative board of the Brazilian Warehousing and Trade Company (COBEC), also revealed that the philosophy of the finance minister, Ernane Galveas, and that of the president of the Bank of Brazil, Osvaldo Collin, is that the company be virtually privatized. The Bank of Brazil has 30 percent share participation in COBEC.

Speaking of the performance of Brazilian exports last month, Viacava stressed that their results are so promising that they remove "the possibility of another maxi-devaluation of the cruzeiro."

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CSO: 3342/107

## BRIEFS

GABRIEL MISSILE TALKS--Rio--Navy Minister Admiral Maximiano da Fonseca denied in Rio yesterday that Brazil had signed any agreement with the Israeli Government for the purchase of the Gabriel missile built by Israel Aircraft Limited of Tel Aviv. "So far there have only been talks for the purpose of examining the possibility of our purchasing that type of missile along with its technology, which will make it possible to build it in Brazil. We are not going to buy any "black box." The deal will only be concluded if the Gabriel comes together with its technology," stressed Maximiano da Fonseca. [Sao Paulo O ESTADO DE SAO PAULO in Portuguese 29 Apr 83 p 6] 8711

COFFEE EXPORTS TO HUNGARY--The president of the Brazilian Coffee Institute (IBC), Octavio Rainho, announced in Rio yesterday that during his recent trip to Europe, he signed a contract for the sale of 75,000 sacks of Brazilian coffee to Hungary with the commitment to purchase another 75,000 if Brazil will purchase products from the Hungarian market. The first shipment of the 75,000 sacks of coffee will be shipped to Hungary between July and August of this year, according to Octavio Rainho, "but the sale of the other lot will depend on the possibilities of the Brazilian Government purchasing surgical equipment, transmission lines and fertilizers in that country's market. Speaking of Brazilian coffee exports for last April, Octavio Rainho pointed out that they yielded \$185 million, increasing 4.6 percent compared to the same month last year (but CACEX records show that the increase was 3.93 percent, with sales in April 1982 in the order of \$178 million). He predicts 1983 revenues from Brazilian coffee exports will reach \$2.3 billion compared to \$2.1 billion in 1982. [Sao Paulo O ESTADO DE SAO PAULO in Portuguese 6 May 83 p 26] 8711

CSO: 3342/107

## UNLOADING PROBLEMS IN PORTS DURING APRIL DISCUSSED

Havana GRANMA in Spanish 15 Apr 83 p 3

[Article by Emilio del Barrio Menendez]

[Text] Over the first 10 days of April, 219,400 tons--a satisfactory figure--were unloaded in the National Port System. Actually, if certain situations had not occurred, the workers would have been able to attain a much higher productivity and to close the period on a favorable position to break the historic record for a month of 746,000 tons.

The causes that restricted national unloading work included low level grain operations since the Cienfuegos grain terminal did not receive ships in that 10-day period and the Havana terminal had insufficient volumes. Fertilizer unloading also showed low levels because the Matanzas port spent 7 days without unloading fertilizers for lack of ships and the Havana port had breakdowns on its crane and insufficient transport.

To a certain extent, these problems are imponderable. However, others of a subjective nature are detrimental to port unloading work. The case of the Cuban motorship "Uvero" truly deserves to be mentioned as an example of real inefficiency.

With 5,000 tons of phosphoric rock in its hold, this ship has become a sort of floating warehouse because fertilizer mixing plants lack receiving capacity. Moreover, this freighter brought a shipment of trucks on its deck which were unloaded in Havana and then had to be loaded on that ship again and transported to Moa, the destination point whose bay the "Uvero" had to pass on its return voyage to Cuba.

This organizational work deficiency thus far represents the loss of 1 week's operation of the ship, which is the same as losing foreign exchange, in addition to unnecessary expenditures on fuels, lubricants and other materials.

A ship arrived in the port of Antilla with 5,000 tons of bulk grains and remained 20 days in that port terminal. As can be noted, the daily unloading average was just 250 tons. If, for example, this ship had been unloaded in Santiago de Cuba, the operation would have taken only 6 or 8 days, and such prompt handling means foreign exchange earnings.

Another situation reflected over the 10-day period is the recurrence of problems with hoisting equipment of Cuban ships. Over this period, the "Jesus Menendez," "Bartolome Maso," "Ignacio Agramonte," and "Alegria de Pio" had problems with their loading and unloading equipment. This, of course, affects productivity of port workers and the number of days that ships can be utilized.

The Mambisa Navigation Enterprise, operator of the ships, had made considerable progress on such problems, turning a difficult situation into one considered to be normal. However, the difficulties of these four merchant ships are a warning signal to Mambisa's technical management and to those in command of the ships so that such problems do not again become stumbling blocks to productivity and to business management and the national economy.

Undoubtedly, the subjective element is the one thing that mostly affects all the aforementioned aspects as long as these relate to distribution of goods--primarily fertilizers--, to ship maintenance and to location of ships.

Individually or together, these problems are nothing less than an economic detriment to the nation since they cause delays in port operations, unquestionably leading to loss of foreign exchange that could have remained in Cuba had the work been done better.

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CSO: 3248/729

## REAGAN VIEW ON 'FOURTH BORDER' CRITICIZED

Havana GRANMA in Spanish 21 Apr 83 p 8

[Commentary by Juan Marrero: "Neither Fourth Border Nor Master of House"]

[Text] In early March, President Reagan claimed that Central America and the Caribbean were the "fourth border" of the United States, thus taking another step on his aggressive and interventionist escalation in the region.

For the purpose of justifying any type of military action in that region which, according to him, "affects the security of the United States," Reagan has tried to convince congress and the people of the United States and of the world that U.S. borders extend beyond them.

Reagan said "Central America is very close to the United States to which El Salvador is closer than Texas is from Massachusetts," thereby indicating that the United States has the right to determine the future of the Central American and Caribbean nations and, above all, to employ U.S. military force.

Of course, this is absurd, insane and, most importantly, quite dangerous.

This "new doctrine" of the Reagan administration is another step on its aggressive and bellicose escalation, as clearly exposed in documents, including the one drafted by the Santa Fe Committee, the Republican Party platform and the Symms Amendment. The essential contents of such documents seek to impose the big stick policy on the Latin American people. At the same time, they specifically and clearly express the contempt of U.S. rulers for such valuable principles as the sovereignty, independence and self-determination of the Central American and Caribbean peoples.

The U.S. press early this month disclosed the existence of a new document called Directive 17 of the U.S. National Security Council, approved by Reagan in November 1982, which sets out interventionist programs aimed at "not permitting the proliferation of states that follow the Cuban model" in Central America and the Caribbean.

Reagan has been seeking supporters in Latin America for these interventionist and adventurous plans. And since "it takes all sorts to make the world," contemptible

people who kneel like lackeys at the foot of the master are not lacking. One of them, the Guatemalan tyrant Efraim Rios Montt, has just done it in the most disgusting and repugnant manner one can imagine.

In a radio and television speech, Rios Montt has declared that Central America and the Caribbean are in the U.S. "backyard" and that it is natural for "the master of the house" to be concerned over regional security matters. With equal insolence, he added: "Why should it not be the master of the house, if one considers the fact that the distance between Guatemala and Los Angeles is much less than from Los Angeles to New York?"

To a certain extent, it is understandable--and by this we do not mean to exempt Reagan from strong condemnation--for the imperialist Reagan to invoke his so-called "fourth border" since we know quite well that he seeks to defend and preserve hegemonic, plundering and exploitation aims south of the Rio Grande. But it is even more despicable for such a call to come from someone who, presumably, should know the tragic history of U.S. military interventions, meddling, blackmail, pressures and threats against Latin America. And Guatemala has been one of the biggest victims of such brutalities.

Rios Montt is a thousand times despicable. The Guatemalan people some day will have to get an accounting from him not only for the thousands of assassinations he has committed during his tenure as ruler, but also for such scandalous attitudes of genuflection and true prostitution to the Yankee imperialists.

The imperialist haughtiness of seeing their border extending beyond their own borders is a shameless distortion of reality. The borders of the Central American and Caribbean nations are laid out by the Latin American peoples and not by the White House. They have been laid out by a history of struggles lasting more than a century and a half, first against colonialism and then against imperialism. Men like Bolivar, Morazan, Juarez, Morelos, Jose Marti, Toussaint L'Ouverture, Sandino and Farabundo Marti laid them out by force of saber, spear, machete and rifles...and they are laid out today by the people who follow their example and teaching.

We have not been and we are not the U.S. backyard and, therefore, no one is master of our house. We are, solely and exclusively, the master of our house.

The truth is that what our Jose Marti said to the effect that those who have believed that the entire world is their village will see the sight that "what remains of a village in America will awaken," is being fulfilled in these times.

And that awakening has happened in Cuba, Nicaragua and Grenada, where the imperialist octopus cannot sleep as it used to do in the past.

Neither the "fourth border" nor anything else will stop that path. It is the march of history.

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CSO: 3248/729



## BRIEFS

DLP LEADER--Roseau, Dominica, May 7, (CANA)--Former Dominican Prime Minister Oliver Seraphin has been named leader of the newly-united opposition Dominica Labour Party (DLP), the party announced last night. The announcement came less than 48 hours before the party was due to hold an islandwide ballot to elect a leader from a field of three including ex-prime minister Patrick John. In a statement the DLP which is now a merger of Seraphin's Democratic Labour Party (DEMLAB) and John's Dominica Labour Party (DLP), said that Seraphin was chosen at a meeting of the party's standing committee yesterday. [Text] [Kingston THE SUNDAY GLEANER in English 8 May 83 p 2]

CITIZENSHIP AMENDMENTS--Roseau, Dominica--Dominica's House of Assembly (Lower House of Parliament) has approved a government plan aimed at stopping foreigners from quickly becoming citizens of the island through marriages of convenience. The House approved changes to the constitution's citizenship clauses and to the Dominica Citizenship Act ending the automatic conferring of citizenship on foreigners who married a Dominican. A non-national will have to reside in Dominica three years for his citizenship application to be considered. The amendments were passed by a 17 to one majority with former finance minister Mike Douglas--an opposition member--objecting, claiming that the bill was aimed at victimisation. The government proposed the amendments after complaining that persons were obtaining citizenship merely by marrying Dominicans, in some cases nationals whom they had never met. "We saw the dangers of a large number of undesirable becoming citizens of this country by virtue of marriages," Attorney General Ronan David told Parliament. (CANA) [Text] [Bridgetown THE NATION in English 26 Apr 83 p 7]

HOUSING PROJECT SUSPENSION--Roseau, Dominica, Tuesday (CANA)--A Trinidad and Tobago-financed low-cost housing project here has been suspended because the donor government is still working out procedures to make funds available. Dominica's Housing Minister Brian Alleyne told Parliament today. In response to an Opposition question on the difficulties being experienced in completing the multi-million dollar project, Mr Alleyne said 81 houses have been finished and large stocks of building materials were in storage awaiting funds for the resumption of the programme. Under a loan agreement, through its Caribbean aid project, Trinidad had agreed to provide \$7.6 million (one E.C. dollar equals 37 cents U.S.). For the construction of 830 core houses over a three-year period. A Dominica mission headed by Prime Minister Eugenia

Charles and including Mr Alleyne, visited Port-of-Spain on March 9 for talks on the project and Mr Alleyne said it left with the expectations that fresh disbursements of cash would soon materialise. However, to date, even after further communications by telex and telephone urging release of funds, the Trinidad and Tobago authorities have not yet completed their procedures to make such funds available and the programme has had to be suspended," he told the house. [Text] [Bridgetown BARBADOS ADVOCATE in English 27 Apr 83 p 3]

CSO: 3298/589

SECRETARY OF STATE DISCUSSES NEW FOREIGN POLICY

Santo Domingo LISTIN DIARIO in Spanish 29 Apr 83 p 7

[Speech by Secretary of State of Foreign Relations Dr Jose Augusto Vega Imbert to the Foreign Press Correspondents Club in the Santo Domingo Hotel on 28 April 1983]

[Text] The foreign relations secretary asserted yesterday that the country's foreign policy is in the planning stage.

Dr Jose Augusto Vega Imbert stressed in this regard that for the first time our foreign relations are being organized on a coherent basis with short- and medium-term objectives.

Dr Vega Imbert spoke at the breakfast of the Foreign Press Correspondents Club in the Santo Domingo Hotel.

These were his remarks.

I would like to sincerely thank the prestigious Foreign Press Correspondents Club for the opportunity that it has given me to converse once again with its members about our international relations and foreign policy.

To us, international relations are implicitly aimed at communication, at greater integration within the region, thus shattering the Dominican Republic's traditional isolation in the concert of nations, since we used to be regarded as a passive country without opinions.

The fact is that today the Dominican Republic is in the process of formulating a foreign policy.

For the first time we are organizing our foreign relations on a coherent basis with short- and medium-term objectives.

We are taking a different position towards the world panorama. This approach will lead us towards intensified cooperation, towards an extension and diversification of our diplomatic horizons, in accordance

with our national interest, but at the same time we are strengthening our traditional ties within the democratic international community to which we belong.

The Program of the National Concentration Government already expressed the firm intention to dispel the apathy that characterized us in the international sphere.

On the first day of his administration the president of the republic, Dr Salvador Jorge Blanco, indicated in his inaugural address new directions for Dominican foreign policy, with well-defined concepts and goals, and on the same day, along with four Central American and Caribbean chiefs of state, signed the Declaration of Santo Domingo, which was our country's first pledge to contribute to a "political settlement of the crisis in Central America," thus highlighting the need for regional negotiations and dialogue.

These new guidelines for Dominican foreign policy that the nation's chief executive set forth were expanded upon and presented to all the mass media when, for the first time in its history, the Foreign Relations Secretariat held a formal meeting with the men and women of the press last September.

From the start of our term we have attached great importance to ongoing, candid information on our diplomatic efforts. The press, radio and television, as well as international news agencies, have, with very few exceptions, perfectly complemented the Foreign Secretariat's new approach. Proof of this is my presence here for the second time, and I think that it is particularly constructive that practically 6 months have past, which enables us to assess the initial results of our newly invigorated international relations.

It is important to note that the reorientation of Dominican foreign policy, far from leading to radical change, has first of all meant a strengthening of the longstanding principles of our international relations, such as nonintervention and respect for the international legal order. Noninterference in the internal affairs of other States, the sovereign equality of States, the self-determination of peoples, the ban on the use or threatened use of force to resolve conflicts, respect for independence and territorial integrity, and the observance of international treaties are permanent, unbreakable principles whose application is the best guarantee of peace.

By tradition the Dominican Republic has always come out against any form of colonization or discrimination. But our opposition to segregation, which we regard as a crime against mankind, has gained new currency because when a mission from the UN Advisory Council for Namibia was here visiting us, it expressed its deep gratitude to the Dominican Government for the interest it has shown in the people of Namibia and for its support of their total independence. There is an international consensus on the struggle against apartheid, and we support this cause without restrictions.

I would like to voice my satisfaction with the course of Dominican foreign policy, because in just a few months we have achieved several of the objectives that we had set for ourselves and that, as I mentioned, we had explained to the press from the outset of my mandate as secretary.

The Dominican Republic has unquestionably revitalized its multilateral relations, which has translated into a stronger presence in international forums, in which we have participated actively, not just shown up.

We have not confined ourselves to the major assemblies and traditional organizations such as the UN and OAS, where our missions are, of course, increasingly active. Moreover, we have devoted particular attention to the gatherings aimed at improving the situation of the Third World countries, establishing a new international economic order and bolstering solidarity among Latin American countries by arranging coordinated action to resolve the crisis besetting our region and all developing countries.

I would also like to underscore that another reason why these forums are so important is that they are meeting places for countries with different political, economic and social systems that seek to find common solutions to their problems and to the crisis they are facing.

I will mention the Dominican Republic's first-time attendance, as an invitee, at the Conference of the Nonaligned Countries in New Delhi, at which we issued a declaration expressing our concern for peace, sovereignty and development, while reaffirming our total awareness of the world's interdependence and the need for international solidarity.

"We are aware that our country is capable of resolving on its own some of the social and economic woes plaguing us as a developing nation, but we realize that we will never be able to resolve all of them fully and permanently except through the joint action of peoples and nations that can create new relations of absolute solidarity and cooperation."

We attended the preparatory meetings of the Sixth General Assembly of the UNCTAD, to be held this June in Belgrade; the SELA [Latin American Economic System] meeting in Cartagena last February, and the recent conference of the "Group of the 77" in Buenos Aires. At these forums our country was involved in the common strategies and actions of the countries of Latin America and the Third World, with a view towards undertaking comprehensive negotiations with the developed countries in Belgrade.

In line with our firm intention to contribute to peaceful solutions and consistent with our support for the self-determination of peoples, we have just attended the Preparatory Regional Conference of the World Conference on the Status of Palestine, in Managua, where our representative, the undersecretary of state of foreign relations, Cotubabama Dipp, was unanimously elected vice president of the conference.

The many contacts that we have made during these international meetings are part of our policy to expand the Dominican Republic's foreign relations. In the area of bilateral relations, we have established new diplomatic relations and opened up new diplomatic offices.

Moreover, in our search for solutions to our economic problems, we support and will continue to vigorously support the Caribbean Basin initiative, because it will enable several countries in the region to integrate their economies to a substantial degree into the U.S. economy and because it calls for support measures that would modify trade relations with the United States to the benefit of the Caribbean region, with better terms and greater access for our exports.

President Jorge Blanco hailed the plan and interpreted it with an incisive view of the situation: "From the perspective of the Caribbean, however, this initiative must be viewed as an economic strategy stemming from the injustices of the international economic system. We were saying that the Caribbean should present itself as a region of peace, but to do this we need a prosperous Caribbean, not a Caribbean beset by a widespread crisis, as it is today."

The Dominican Republic, located in the heart of the Caribbean Sea, a democratic nation with great political stability that maintains very good relations with the countries in the region and that has a comprehensive view of the problems plaguing the Third World, the solution of which requires the joint efforts of all developing countries, will always be ready to take part in group actions that are just and viable.

As we have been saying since 16 August, our government has made a commitment to the efforts for peace in the Central American region, and this goal has led to many actions that have been widely reported on in the press.

This was the spirit and aim that guided us in drawing up the Declaration of Santo Domingo, which Costa Rica and Nicaragua, among other countries, signed in our capital; in voicing our immediate support, before any other country, for the peace proposal that Mexico and Venezuela offered to Nicaragua and Honduras last September, and in persistently advocating to several foreign ministries that a meeting "without exclusions" be held, in other words, a meeting among all the Central American countries involved in the conflict.

Lastly, it was this spirit and aim that led us on 22 March 1983 to stress to the Venezuelan Foreign Ministry the urgent need to begin preparatory work for a fruitful gathering of Central American countries.

For the same reasons the Dominican Republic has been most interested in the efforts undertaken by the countries that signed the Contadora Agreement. We have voiced our hope that their latest meetings have been successful. This was evident in a message that our president sent to President Betancur and that was published in the domestic

and international press. In it he reaffirmed the Dominican Republic's desire to cooperate: "This is a fitting opportunity to reiterate that the Dominican Republic will hold with unyielding firmness to its decision to argue for and contribute to all efforts aimed at achieving a negotiated settlement that guarantees peace in the countries of Central America and the Caribbean so that their peoples can fully exercise their self-determination and attain the goals of economic, political and social development."

We are certain that this effort will be supported by other peaceloving nations that will directly or indirectly become involved in the actions that this group might take.

Such complementary efforts had been contemplated in the joint communique from Contadora on 9 January 1983, in the following terms: "The foreign ministers analyzed possible new actions and noted that it would be advantageous to incorporate into these efforts the valuable and necessary contributions of the other countries in the Latin American community."

Hammering out a just and viable peace plan for Central America require the efforts of many nations.

These complex problems demand a commitment from us all. Any contribution, whether large or small, is always valuable.

The important thing is not to flinch in the struggle and to cultivate the patience and steadfastness that Mahatma Gandhi preached; a revival of his pacifism would be a valuable example in a world that is on the verge of self-extermination and catastrophe.

In order for such a peace plan to work, it must, in our judgment, be markedly Latin American in its origin and content, because if the causes of the problems that triggered the conflicts are to be found among us, then the solutions we seek are to be found among us as well.

Now then, I would like to quote what I said in my speech to the OAS. "In talking about peace for Central America, we cannot overlook the extraordinary importance and powerful influence that the United States projects in the geopolitical sphere in which it naturally carries weight."

Such a peace plan must be strongly backed by the schools of democratic thought that have a marked influence on the current development of our societies.

Finally, in order for such a project to be lasting, it must take the realities of the region into full consideration, so that the results strengthen and insure peaceful coexistence, observance of the international legal order, and development and cooperation throughout Central America and the Caribbean.

The Dominican Republic is neither a military nor an economic power, a status that is conducive to fruitful diplomatic efforts. Nevertheless, the Dominican Republic has many fitting qualities to play a successful role in international diplomacy: its unquestionable democracy; its in-depth knowledge of Latin America's underdevelopment, within which our democracy arose; its strategic location in the heart of the Caribbean; its domestic social peace, which has an influence on the entire region, and its determination not only to seek peace but also to prevent an ominous military escalation that would sooner or later affect the entire Caribbean.

Above all, however, the Dominican Republic possesses another vitally important element for fruitful diplomacy. I am talking about the moral strength of the man who is in charge of the republic's destiny pursuant to the express mandate and will of the people and who, therefore, is our top foreign policy-maker.

The democratic and civilian background of our chief executive, Dr Salvador Jorge Blanco, his irreproachable morals, his unwavering struggle for the development of peoples, social justice and economic democracy, and his total adherence, as an accomplished jurist, to the principles of the international legal order, make him deserving of the total confidence of all of the parties that, like us, are striving to achieve peace both for this region and hemisphere and for the world community.

On the occasion of the dinner banquet that the diplomatic corps stationed in this country offered the president of the republic, he discussed the desires and principles on which the Dominican Republic's current foreign policy is based. I will conclude my address to you by quoting some of the remarks that Dr Salvador Jorge Blanco made on that occasion: "The Dominican Republic has an unshakable faith in the principles of nonintervention in the internal affairs of other States and the self-determination of peoples. One of our deepest and most lasting desires is for a return to peace in the regions threatened or torn by conflict, especially in Central America. To that end we have offered our good offices, guided by the conviction that a democratic, independent country like ours, which enjoys the privilege of living in peace, must try to enable sister countries to enjoy the same guarantees, the same tranquility."

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CSO: 3248/753



PAPER SCORES CENTRAL AMERICAN POLITICAL SLOGANS

Santo Domingo LISTIN DIARIO in Spanish 19 Apr 83 p 6

[Editorial: "The Tragedy of Central America"]

[Text] "Let them kill each other." This seems to be the prescription of traditional nonintervention.

"Only Third Worlders can intervene." This seems to be the prescription of the Socialist International.

"The Soviet Union can intervene only if it is through Cubans." This is the prescription of the nonaligned countries.

"The United States must not intervene in any way." This seems to be the universal prescription, especially in the United States itself.

There are, then, many prescription for nonintervention.

The old regimes under fire in Central America have become too deadly to be regarded as governments and not terrorist bands.

Nicaragua's revolutionary regime seems dictatorial, fanatic, bombastic, incompetent and no longer capable of inspiring hope.

Neither legitimate authority nor a convincing uprising.

This seems to be the tragedy of Central America.

Where the only hope is a lessening of the savagery.

And the only salvation is a silencing of all the rhetoric.

Where the only hope is if the outside world can overcome its partisan hypocrisies.

8743

CSO: 3248/753

CITIZENRY RESPONDS WITH SUPPORT IN FACE OF U.S. THREAT

Call for Militia Training

St Georges FREE WEST INDIAN in English 1 Apr 83 p 7

[Text] Expanded militia training and more shooting practice for old militia members, as well as immediate training for new recruits, were called for by residents of northwest St George's on Monday.

At a zonal council meeting held at the Bernadette Bailey Secondary School to discuss their role in defence, the residents called for duty time for militia members guarding installations to be so organised as not to wear them out.

They called for training for volunteer drivers to learn to use army transport, and have advised that medical supplies be stockpiled.

A security committee was formed at the meeting to lead security work in the area. Places were identified for child-care and first-aid training.

Addressing the meeting, Deputy Minister of Defence and Interior Liam James said that within the past few weeks, counter-revolutionaries in the United States have been meeting in Venezuela and Miami, with Cuban exiles responsible for the 1976 Air Cubana bombing, as well as with Nicaraguan counter.

The counter-revolutionaries have a three-man leadership and are being directed by a US diplomat in a neighbouring country.

Workers Meeting

St Georges FREE WEST INDIAN in English 1 Apr 83 p 7

[Text] There should be more political education classes at workplaces, more films and photographs shown of US imperialist and mercenary activities, and religious leaders should be urged to explain the present danger to people who insist that what Grenadians should do is pray.

These were some of the suggestions made at a St George's workers' parish council meeting held at Butler House, Belmont, on Tuesday night.

The meeting was attended by workers from all over St George's, Prime Minister Maurice Bishop, members of the Technical and Allied Workers Union (TAWU) and the Commercial and Industrial Workers Union (CIWU) and visitors from a number of organisations and support groups in the United States, United Kingdom and Canada.

After the major address by PM Bishop, workers went into workshops to discuss the present threat to Grenada, what could be done to make Grenadians more aware of the danger, and what should be done to improve the People's Militia.

Most workers, such as those at the international airport site, the Marketing and National Importing Board and at Queen's Park, were convinced that an attack will come. The airport workers said that the history of imperialism shows that the US will not hesitate to attack small islands, such as Grenada.

Workers said that some of the things hindering preparation against the present danger are that some people are not taking the threat seriously, there is too little discipline in the militia, there is too much fooling around by young militia members and that militia training is not interesting enough.

Suggestions raised in the workshops were for more disciplinary measures to be taken against Militia members if the standard is to rise, for more workplace meetings and house-to-house campaigns, for militia practice to be made more interesting by activities such as sports, and by having more practical work and less theory.

The foreign visitors said they have decided to write protest letters to US President Ronald Reagan about his lies and threats against Grenada, copies of which they will give to newspapers in their own countries.

They promised to organise fund-raising activities to aid the Grenada Revolution with medical kits, and other materials. They appealed to the PRG to supply them with all information of Grenada particularly on the progress of the international airport.

This information, they said, will assist them on their return to their countries to explain the progress being made in Grenada and the true democracy being enjoyed by the people.

## St Georges Council Meeting

St Georges FREE WEST INDIAN in English 1 Apr 83 p 6

[Text] Reorganising training programmes for old militia members locating concentration points in case of invasion and gathering coal, cooking gas and old clothes, were some of the suggestions made at the South St George's zonal council meeting, held last Monday at Butler House in Belmont.

The meeting was attended by South St George's residents, National Youth Organisation members, the Bank and General Workers Union (BGWU) president Vincent Noel and members of foreign friendship societies.

After an address by Noel, workshops were formed for old militia members, new militia members, look-out and information, defensive preparation, civilian safety and organisation, child-care, first-aid and foreign guests.

The workshops dealt with the organisation and the arrangement of meetings and training for the different groups, and at the end, each group gave a report.

Some of the suggestions were for new militia members to be given a basic idea of how to use every weapon in the army, materials such as sawdust and sandbags to be collected and stored in advance of an invasion, and for service sections also to learn how to use weapons.

The child care group proposed the drawing up of a fun programme so that children will not be worried and depressed in care centres, and the first-aid section planned to hold meetings every week.

The foreign guests promised to try and gain public support for the Revolution on their return to their countries and to demonstrate against US President Ronald Reagan's threats against and lies about Grenada.

Noel promised, on behalf of the PRG, that all these suggestions will be considered and as many as possible implemented.

## Help from Hunters

St Georges FREE WEST INDIAN in English 1 Apr 83 p 6

[Excerpt] The Grenada Association of Game Hunters (GAGH) has offered the People's Revolutionary Government (PRG) its services in any way possible to help develop the country and the Revolution.

GAGH president Dorset Paterson said the group recently offered the services of all its skilled members such as carpenters, masons and painters to help repair three government buildings in Grand Etang.

It also recently responded to a call to lend air rifles and pellet guns to the People's Militia to assist in the combat training of new members.

According to Paterson, GAGH which is affiliated to the South Trinidad Hunters Group, has been functioning for the past nine years.

CSO: 3298/575

REPORT ON AIRPORT CONSTRUCTION; FINNS TO DO LIGHTING

St Georges FREE WEST INDIAN in English 1 Apr 83 p 1

[Text] Installation of electrical lighting equipment for the international airport at Point Salines is expected to begin early next month, as work progresses to complete the airport by March 13 next year.

Project manager Bob Evans said that three persons from Finland are expected this week to begin work and more Finns are expected as the work progresses.

The lighting equipment is for the airstrip, parking apron, car park and access road and was supplied by the Finnish Company, METEX, together with other ground support equipment, at a cost of \$6.5 million.

The company is expected to finish installing the equipment within six months and will also train Grenadians to use the equipment.

The ground support equipment include three fire engines, two large and one small, three fuel tankers and one catering vehicle.

Evans said that the fire department will have some 20 workers who will also be responsible for operating an ambulance service.

The fire equipment, he explained, was very modern, with a main cannon on top the vehicle, and additional hoses in front of the truck. The main cannon is designed to be operated by the driver with the touch of buttons from the cab. The fire trucks all have Rolls Royce engines.

Personnel in the fire department are expected to do a three-month training course in airport fire-fighting in Trinidad, he said.

Evans said that construction of the technical bloc and control tower which will be 35 feet high, are expected to be completed around June.

Two contracts at a total value of \$40.2 million were signed with the English firm Plessey Airport Limited.

The first, valued at \$22 million, was for the supply and installation of air control, navigational, communications, ground-handling and electronic equipment for the terminal building, while the second at \$7.2 million, includes furniture.

A small amount of equipment from Plessey has arrived and includes a sweeper for the airstrip and a fork-lift.

Evans said that a 25-foot wide hard shoulder is being constructed on either side of the 9,000 feet long, 150 feet wide runway, just in case an airplane should skid.

CSO: 3298/575

## BANK, GENERAL WORKERS UNION MEETS, ELECTS OFFICERS

St Georges FREE WEST INDIAN in English 1 Apr 83 p 3

[Text] Nobody, anywhere in the world, will give a people solidarity unless they are prepared to help themselves, Prime Minister Maurice Bishop said in his feature address on Sunday to the Bank and General Workers' Union (BGWU) third bi-annual convention, held at Holiday Inn's East Wing in Grand Anse.

Speaking against the background of an invasion threat against Grenada by US-backed forces, he urged the workers to join the People's Revolutionary Militia to defend their homeland.

Other highlights at the convention were the election of officers, a report from BGWU president Vincent Noel and an emulation ceremony.

Noel was re-elected president, while among other officers elected were Dereck Allard, first vice-president; Trevor Xavier second vice-president; Winston Mitchell, third vice-president; Gemman Holder, general secretary and Raymond Redhead, assistant general secretary.

PM Bishop congratulated BGWU's leadership for its consistency and organisational ability. He added that the union played a critical role in the Revolution's development and is continuing such in deepening the workers' organisational level.

On the present threat, he said that this time, the people must understand its seriousness and must prepare to beat it back.

In his report, Noel revealed that some anti-trade union elements in Barclays Bank are working to undermine BGWU's representation there. BGWU intends to enforce People's Law Number 29 which gives workers the right to join the trade union they choose, he pointed out.

He also called upon workers to enroll with the Centre for Popular Education's (CPE) second phase so as to improve their educational levels once thereby raise production.

The BGWU was formed in late 1978 during a period of intense struggle with Barclays Bank's management which refused to recognise it as the official bargaining agent for the bank's workers.



Despite the workers' overwhelming acceptance of the new union, the Eric Gairy dictatorship openly sided with Barclays and frequently harassed Noel and some of the more militant workers.

The struggle continued until the March 13, 1979 Revolution, after which Barclays soon recognised the union.

CSO: 3298/575

## HOYTE REAFFIRMS GOVERNMENT 'WILL NOT CHANGE COURSE'

Georgetown GUYANA CHRONICLE in English 26 Apr 83 pp 1, 5

[Text]

**VICE-PRESIDENT** of Economic Development and Planning, Cde. Desmond Hoyte, has called on the Guyanese people to protect their gains and organise themselves for further development. "We are not going to change our course", he stressed.

Cde. Hoyte was at the time addressing labour leaders, businessmen, Permanent Secretaries, managers of corporations, administrators and workers, at the wreath-laying ceremony in the compound of Parliament Buildings on Sunday afternoon, to mark the opening of Critchlow Week.

The Vice-President said that we have been able to achieve many of the things that one of Guyana's greatest sons fought for. He named the unity of the working people as a necessary foundation, political independence of the country and the establishment of a social order based on the principles of socialism as some of these things.

"Today as we look back over the years we can count our gains, as we have won political in-

dependence, the workers' right to belong to a trade union of their choice, and the establishment of socialism has begun", he said.

Cde. Hoyte mentioned that Hubert Nathaniel Critchlow won many things for workers at great cost and sacrifice.

He said that there are some who would like us to change our course but he insisted that this would not happen, as we, the Guyanese people must protect our independence.

Cde. George Daniels, first vice-president of the Guyana Trades Union Congress, said that the day also marked the first year since the death of one of the fighters of trade union rights and social change — Basil Blair. Cde. Daniels said Basil Blair, R.C. Tello, Cecil Cambridge, Andrew Jackson and a number of other trade unionists did a lot for working people in the country.

Other speakers included Cde. Vivienne Surrey, chairman of the Women's Advisory Council of the TUC and Cde. M. Forde, president of the Trade Union Youth Movement.

BURNHAM ACTIVITIES NOTED: REGION 1 TOUR, TALKS WITH OFFICIALS

Start of Tour

Georgetown GUYANA CHRONICLE in English 22 Apr 83 p 1

[Article by George Baird]

[Text] President Forbes Burnham arrived at Matthews Ridge yesterday to begin an extensive tour of Region One--the Barima-Waini District. Shouts of "Our Leader, Our Leader," from school children and jubilant party supporters greeted him as he stepped from the aircraft.

After chatting with residents and presenting school children with balloons he flew to Port Kaituma where he inspected a guard-of-honour of the Guyana National Service militants.

Later President Burnham met diplomats now conferring at Port Kaituma Community School and had discourse with them during a refreshment break.

Today, on the first day of his tour, President Burnham will visit Papaya, Babamita and Arakaka. Tomorrow Cde Burnham moves on to Bimiti and Moruca.

Cde Burnham is also to meet residents at Matthews Ridge, Mabaruma, Kumaka and Wauna on Monday and Tuesday. On Wednesday he will wrap up the Heads of Missions Conference at Kaituma.

Among those accompanying the President were the Minister of Energy and Mines, Hubert Jack and Minister of Health, Environment and Water Supply, Dr Richard Van West Charles. Chief Political Adviser to the President Elwin McDavid was also in the Presidential party who were received by Regional Chairman Barrington Ward.

## Pre-Cabinet Change Meetings

Georgetown GUYANA CHRONICLE in English 26 Apr 83 p 1

[Text]

PRESIDENT Forbes Burnham yesterday held discussions with Prime Minister Ptolemy Reid and Vice President for Economic Planning and Finance Desmond Hoyte at Guyana House, Matthew's Ridge. The lengthy discussions were a continuation of consultations the President has been having with Ministers and other top-flight functionaries since he arrived in Region One last week.

On Sunday the President met Minister in the Office of the Prime Minister Cde Harewood Benn, the latest of the Ministers to fly to Matthew's Ridge at his instance.

Among the officials President Burnham saw on Sunday were Executive Chairman of the Communications Group Cde Lambert Philadelphia and the General Manager of the Guyana Telecommunication Corporation Cde John King.

Another top official who arrived at Matthew's Ridge yesterday was the Chairman of the State Planning Commission Cde Haslyn Parris who later moved on to Port Kaituma in company with the Head of the Department of International Economic Co-operation in the Ministry of Economic Planning and Finance Cde Winston Murray and Assistant Economic Adviser to the President Cde Darlene Harris.

President Burnham is due to reshuffle his Cabinet any time now. His tour of Region One continues today with a visit to Mabaruma and surrounding riverain districts.

## Remarks on Agriculture

Georgetown GUYANA CHRONICLE in English 26 Apr 83 p 1

[Article by George Baird]

[Excerpt]

PRESIDENT Forbes Burnham has given instructions to officials of the People's National Congress and the Regional Administration in Region One to organise groups of farmers for the effective distribution and use of planting materials and equipment in order to boost agricultural production in various areas.

Stressing the policy of the government that people in the Regions must eat what they produce, the President

made it clear he was not sympathetic towards complaints about the unavailability of rice or its high price in the North West.

"You can't expect to come to a park-knocking area and get rice. You have to eat what the people produce here", he told a young coastlander looking for gold in the Arakaka area.

"The people here produce cassava, plantains, corn and things like that. If there is any problem preventing them from being able to cultivate those things I would

listen", the President told a meeting of residents and Guyana National Service militants at the Burnham Agricultural Institute on Saturday.

Cde Burnham emphasised the necessity for the farmers at Arakaka and surrounding areas to plant corn for processing at the factory at Pakera.

Earlier Saturday, the President had inspected the Guyana Pharmaceutical Corporation outlet at Matthew's Ridge during a drive around the village community before flying to the GNS location.

## Move Against Gold Smuggling

Georgetown GUYANA CHRONICLE in English 28 Apr 83 p 5

[Text]

PRESIDENT Forbes, Burnham told the residents of Matthew's Ridge on Monday evening that one of the reasons for his being in Region One, besides attending the Heads of Missions Conference, is to meet the residents. From discussions, he would be able to speak about the activities in the various regions and make proposals as to what the Party should do, in his presentation to the 5th Biennial Congress in August.

And in a word of warning to the pork-knockers, the President indicated that the smuggling of gold across the border or selling to unauthorised persons is depriving the government of foreign exchange needed to buy equipment and spare parts.

According to the President, Cabinet has decided to set up an agency in the Region to purchase all gold found in Region 1.

(GIS)

CSO: 3298/576

## PROTOCOL ON BILATERAL ECONOMIC COOPERATION WITH YUGOSLAVIA

Georgetown GUYANA CHRONICLE in English 20 Apr 83 p 1

[Text] Guyana and Yugoslavia have signed a protocol that would accelerate economic cooperation between the two countries.

Under the terms of the protocol signed Monday night, a mixed commission is to be established to take care of the development of further cooperation between the two countries.

Vice-President for Economic Planning and Finance Desmond Hoyte signed on behalf of Guyana and Dr Rikard Stajner, Member of the Federal Executive Council of the Socialist Federal Republic of Yugoslavia SFRY and Chairman of the Commission for Cooperation with Developing Countries, signed on behalf of Yugoslavia.

Earlier, President Forbes Burnham and Member of the Presidency of SFRY, Cde Vidoje Zarkovic, had signed a 24-paragraph joint communique setting out the views of the two countries on international matters and pledging to work for a New International Economic Order within the Non-Aligned Movement and other forums.

Explaining the purpose of the Protocol, Dr Stajner told a Press conference yesterday morning that it was necessary to make economic relations between the two countries "more vast and more profound."

"We identified various products in our two countries which we could exchange for mutual benefit," he added, mentioning the exploration of mineral oil and cooperation in the construction of industrial and other capacity.

In the area of agro-industry, Dr Stanjer said the two countries would also get involved in joint ventures and Yugoslavia is to provide machinery and equipment under "favourable conditions."

Dr Stajner said cooperation would also be identified in the field of science and technology with Yugoslavia providing training and technology.

In the communique, it was stated that further cooperation would take place "on the basis of the respective complementarities of their economies and

within the framework of the Caracas Action Plan and the Action Programme for Economic Cooperation among Non-Aligned and other developing countries."

Guyana and Yugoslavia agreed to expand existing programmes and "bring as rapidly as possible to fruition projects in gold and kaolin exploitation, furniture manufacture and agro-industry," the communique said.

They decided to undertake additional examination, through further exchanges, including reciprocal official and technical visits, of areas like energy and trade, for intensifying their cooperation.

CSO: 3298/576

## 'MIRROR' CHARGES GOVERNMENT GIVEAWAY OF PUBLIC SECTOR ENTERPRISE

Georgetown MIRROR in English 17 Apr 83 p 4

[Text] The IMF-dictated dismantling of the public sector and the handing over of valuable chunks to the private sector is underway. This big hand-over is to both local and foreign capitalists. MIRROR understands that foreign capitalists are streaming into the country looking for a piece of the pie, while the local ones are standing by waiting eagerly for their share.

Quite recently one aspect of this "hiving off" (as the IMF calls the plan) came to the notice of MIRROR through informed sources at Timehri. The Ministry of Agriculture operated a cocoa farm at Timehri. This farm has now come under the management of the Water Street firm of John Fernandes Ltd. Exactly what is the deal, appears to be a tight secret. Government has made no pronouncement and the firm itself has said nothing.

Residents had observed for some years the neglect of the farm which, with good management could have been a gold mine. They recently observed the total disappearance of government employees who were reportedly retrenched. New incoming personnel identified themselves as "employees of John Fernandes Ltd." They immediately commenced cleaning up the farm...pruning, weeding, cleaning, etc., tasks which were neglected under government "management."

At present cocoa is in short supply in Guyana partly because of the regime's import ban policy, but mostly because of its lack of sympathy for cocoa farmers. This item when available in the market is very expensive. It is felt by residents that the new operators of the cocoa farm at Timehri will reap a gold mine soon.

This hand-over by the state is giving mileage to the erroneous rightist propaganda that "government can't run anything." During the tenure of government control of the farm, regular thefts also took place reducing the project to a financial liability. These thefts are now expected to cease because of the strict security measures having been adopted by the new management.

Public sector areas due for dismantling are the Ministry of Works and the Ministry of Agriculture; and plus some state entities like ailing corporations and companies. The chunks thus hacked off are expected to be sold. In some cases government will retain an interest in the equity.

CSO: 3298/577



## GAIBANK UPS LOAN KITTY TO \$106 MILLION; SECTORS TO BENEFIT

Georgetown GUYANA CHRONICLE in English 26 Apr 83 p 8

[Text]

GAIBANK is to receive \$64 million (G) from its external lending agencies this year, boosting the institution's loan portfolio to an all-time high of \$106 million.

A sum of \$40 million is to be disbursed to the agricultural sector, while \$24 million will go to the country's industrial sector. Outstanding loans account for \$42 million.

The Inter-American Development Bank's (IDB) Industrial Line of Credit is one of the bank's major source of funding. Loans have also been received from friendly agencies, such as the Canadian International Development Agency (CIDA) and the European Economic Community (EEC).

Rice production is expected to take up the majority of loans in the agricultural sector. GAIBANK recently took over rice production credit from the Guyana

Rice Board. Fishing and livestock development will also benefit while the food crops section will account for some \$12 million.

In the industrial sector, loans will be provided for sawmilling, machine servicing, garment manufacture and solar energy, among other projects.

During 1982 GAIBANK was able to recycle slightly less than 50 per cent of its resources. The bank's portfolio at the beginning of 1983 was \$77 million. Of this amount, \$35 million was recycled.

The late repayment of loans somewhat hindered GAIBANK's recycling operations.

## AREA AGRICULTURAL DEVELOPMENT UNIT LISTS GAINS, PROGRAMS

## Manager's Report

Georgetown SUNDAY CHRONICLE in English 24 Apr 83 p 1

[Text]

**GENERAL** Manager of the Mahaica / Mahaicony / Abary Agriculture Development Authority (MMA / ADA), Ben Carter has said that the scheme has already contributed substantially to the increase in yields in Region Five.

Speaking on "Face the Nation", a weekly Guyana Broadcasting Corporation programme Cde Carter said that rice yields in the area had increased from an average of 12 bags per acre to some 40 bags per acre.

This he said is in keeping with the expected rise in production levels in accordance with the aims of the project. The multi-million dollar project is designed to increase generally all-round agriculture production of 173 360 hectares (423 000 acres) of lands in the West Berbice area.

The MMA top official further explained that lands which fall under the project area contribute at present to the three-and-a-half per cent of the country's rice production but after the completion of the project the area's total con-

tribution is expected to rise to 48 per cent.

He however, pointed out in response to a query that the MMA project caters not only for increased rice production but also for cattle rearing, the cultivation of coconuts and food crop cultivation. A total of 18 400 hectares (46 000 acres) have been allocated for rice cultivation, he said.

In dealing with funding, Cde Carter gave the assurance that there are adequate funds available to see the end of the project. He said that the project was in a 'good position' in respect to foreign financing which he explained always seem to run short on projects. The MMA / ADA project is financed by an Inter-American Development Bank (IADB) loan totalling \$72.6 million.

The General Manager said also that project works were on schedule and that 84 per cent of the project had been completed. The conservancy dam and most of the engineering works had been completed and a main canal, considered the major water

distributor, was to be finished by August and a pump station within another six weeks.

The entire project the General Manager said will be completed by September this year. This will mean that all flood control and drainage and irrigation systems will be operational in time for the second rice crop.

In dealing with land distribution in the area after the completion of the project, Cde Carter said that a land reform programme will be instituted. This will include:

- ensuring that farmers are allocated lands in manageable portions;
- aggregate small holdings to an economically profitable end uniforming land holdings; and
- block farming.

So as to utilise all lands available under the project, Cde Carter said that emphasis will first be placed on occupying lands in the immediate village areas. Subsequently he said efforts will be directed towards establishing a land settlement scheme in a 4000 hectare area (10 000 acres). It is hoped that some 300 families will be settled there.

## Review of Potential

Georgetown SUNDAY CHRONICLE in English 24 Apr 83 p 8

[Article by George Barclay]

[Text]

THE first stage of the Abary River Control Project which is also the first phase of a development programme designed to bring the Mahaica-Mahaicony-Abary region into full agricultural production will be completed in September this year at a cost of \$40 M (U.S.) and will result in flood control, and main drainage and irrigation throughout an area of 146,000 acres (59,000 hectares).

In the process, 76,750 acres will be put under rice cultivation, 13,700 under sugar-cane, 33,410 pasture, 6,000 mixed crops and 16,280 undemarcated.

The second stage of the project which is expected to start shortly will provide secondary drainage and irrigation infrastructure for the cultivation of 37,000 acres of rice and will cost \$30 M (U.S.). The scheme is being undertaken by the MMA Agricultural Development Authority.

The objectives of the new development as perceived by the Authority are — to increase the output of rice 18 times, to increase the output of food such as milk, beef, legumes, root crops, vegetables, vegetable oil — to implement a system of land reform so that full use is made of all lands and to ensure that farmers have security of tenure and plots of viable sizes

— to increase foreign exchange earnings by increasing the export of rice and — to provide more employment opportunities especially for farm youth.

Recent visitors to the Abary River Water Control Project were Cde Vidoje Zarkovic Member of the Presidency of the Socialist Federal Republic of Yugoslavia and his party.

In an exclusive interview at the Onverwagt Project Centre last Sunday Cde Zarkovic told the Sunday Chronicle that the MMA project was a worthwhile venture which was bound to bring prosperity to the nation.

Cde Zarkovic said he would like to see the development of similar projects in Guyana and expressed the hope that all Guyanese would give MMA the support it deserves.

Earlier that day the Member of the Presidency and his party saw the magnitude of the project by air and visited the massive pumping station at Trafalgar as well as the Project Centre where project officials identified construction in the different stages from a giant-sized map. Responding to questions through his interpreter Cde Zarkovic told the Chronicle "I am very impressed by this project. It will assist to a large extent in the

economic development of Guyana."

He expressed the hope that the three-phase project which was designed to improve the agricultural thrust and the economic position of the country would be brought to a successful conclusion and added: "This is a modern project which permits high production. I wish that my friends in Guyana will pursue and construct more of these projects."

The Abary River Water Control Project is the first phase of a development programme to bring the Mahaica-Mahaicony-Abary region into full agricultural production by providing water control for the coastal lands up to a distance of about 30 miles inland, between the Berbice and the Mahaica Rivers.

The total area eventually commanded by this comprehensive scheme will be approximately 432 000 acres (171,200 hectares).

In order to use effectively the available financial and technical resources, the scheme is being implemented in three phases, each phase relating to the control of one of the rivers.

Features of the project are the Foulis / Abary sluice, Facade and Sea

Dam, Trafalgar / Union Sea Sluice and Pump Station, Onverwagt Project Centre, Main Canal and associated control structures, Abary River Control Sluice, Conservancy Dam, Main canal head regulator, Spillweir and the Herstelling Sluice.

MMA-ADA General Manager Ben Carter, Project Manager (Agriculture) Colin Edwards and Resident Engineer D.F. Neville of Sir William Halcrow & Partners had given accounts of the project infrastructure, the agricultural development and the objectives of the new development.

Cde Carter also pointed out that in order to ensure that both the harmful and beneficial aspects of the project are carefully managed, the Authority is in the process of establishing an Environmental Management Unit.

According to him, the purpose of the Unit will be to look into — Water quality; establishment of bio type in the catchment area; — erosion monitoring; — acidification and salinization monitoring; — establishment of a data base line, and regulations for managing renewable natural resources in the upper catchment watershed.

## POSSIBILITIES FOR INCREASING MILK PRODUCTION EXAMINED

Georgetown SUNDAY CHRONICLE in English 17 Apr 83 p 10

[Text]

GUYANA intends to spend an estimated 20 million (G) dollars this year on importing powdered milk.

However, should dairy farming, never really a popular activity in Guyana, be better organised and better managed, this figure could be slashed considerably.

Senior Livestock officials contend that the absence of the necessary infrastructure, such as collection centres and transportation and cooking facilities, has dealt serious blows to the harvesting of whatever milk is produced locally by the nation's estimated 50 000 milch cows, many of which have not been dairy-bred.

They contend even further that these weaknesses have served to inhibit dairy development despite increased prices being offered to farmers for fresh cow's milk.

The illegal slaughtering of cows without the prior consent of veterinary officers is another area which is causing concern to, and which has serious implications for the dairy industry.

At present, local milk production accounts for some 13.5 million litres (three million gallons) or 25 per cent of the country's annual requirements. Of this amount, 75 per cent is produced by small farmers who merely rear a few cows "on the side," producing milk for themselves and, perhaps, a few members of their neighbourhood.

A more organised and co-ordinated approach, entailing better husbandry and management practices (at present a source of concern) is badly needed, livestock officials say.

And, as part of its efforts to stimulate the

growth of the industry, the Agriculture Ministry hopes to promote the formation of special units, each equivalent to a small dairy, at various locations in the country.

However, one school of thought does not support the idea of widely dispersed dairy units, but rather favours the identification of a special dairy zone with dairy co-operatives as opposed to State farms.

Zoning it was explained, would allow for easier management and control of livestock, not only as regards the harvesting of milk, but also in areas such as artificial insemination.

Recently, some farmers have expressed the view that artificial insemination programmes conducted in the past by the Agriculture Ministry were not as successful as hoped because of the long distances needed to be covered by insemination teams.

These teams, they contend, were on occasions, unable to provide service at the opportune moment due to this 'scattering' of animals.

It is the view of one livestock official that the nation's dairy zone should be located on the coastal belt where the soil is said to be more suited to the growth of special grasses

for improved milk yields.

If such a zoning programme was implemented, milk could then be subjected to Ultra-High Temperature (UHT), thus facilitating transportation and distribution to other areas of the country. UHT processing or "Flash Pasteurisation" allows for an extended non-refrigerated shelf life.

Small farm development and the establishment of specialised dairy units and UHT milk processing plants are among areas to be examined in a planned feasibility study on the development of the local dairy industry.

Financed by the Inter-American Development Bank, the feasibility study which should have begun last year, is now expected to be launched this year.

KAMINI PERSAUD,  
GNA

CSO: 3298/577

## GOVERNMENT ACCUSED OF 'RAIDING' NIS TO MEET MEDICAL COSTS

Georgetown MIRROR in English 24 Apr 83 p 3

[Text] The PNC regime is raiding the National Insurance Scheme (NIS) for money to help meet medical expenses incurred by the Ministry of Health. A large scale operation is already afoot and it is surmised by informed medical sources that the annual take will run into millions of dollars. All patients to public hospitals have been advised by government to walk with their NIS Cards which will facilitate payments (on behalf of the patient) from the NIS to the hospital.

The fees system went into effect from April 1, 1983 and is now in top gear. Specific fees are set out for every disease, examination, service, hospitalisation, etc. A synopsis of the vast array of fees is as follows:

--X-Ray examinations range from \$8 for hand, finger, wrist, and elbow; to \$25 for chest; \$25 for abdomen for pregnancy; \$30 for teeth; \$60 for skeletal survey; and \$80 for Carotid Angiogram.

--Where physiotherapy is concerned, the fees range from \$20 for cryotherapy (ice); to \$40 for short wave diathermy; \$50 for ultra sound; \$50 for sonadyne; \$50 for Isokenetics.

--For laboratory tests, the fees are from \$10 for serum lipids to \$20 for endo-metrel curretting. These lab tests include a host of complaints and areas pertaining to each part of the body (internal and external).

The directive 'setting out the Regulations also stipulated rates for hospitalisation.

--Private rooms range as follows: Lady Thompson Ward (single) \$25; Lady Thompson Ward (double) \$20; Seamen's Ward \$15; Seamen's self-contained \$25; Maternity Rooms \$15; Maternity Rooms self-contained \$25.

--Rooms price at \$2.40 per day carry rates ranging from \$60 to \$200.

--The \$6 per day rooms carry rates ranging from \$60 to \$200 also.

--Initial deposits required and "normally requested" range from \$60 to \$150 for \$2.40 per day rooms; and \$150 to \$300 for \$6 and \$8 per day rooms.

The problem is that while the NIS is indeed supposed to foot the bill for medical expenses, not all citizens are contributors or are entitled to NIS footing their medical bills, in these cases the patients are expected to pay up out of their own pockets. Pensioners are exempted according to hospital sources. For those persons who cannot submit NIS cards, the expenses are heavy, and have been totted up as follows:

--Patient who needs chest diagnosis; sputum test \$10; chest X-Ray \$20; complete blood count \$10 totalling \$40.

--Patient suffering from anaemia: complete blood count \$10; prescription \$1 totalling \$11.

--For diabetic cases the fees tot up to \$22; for blood pressure \$25; for jaundice \$20; for special clinic referred to surgical clinic \$60; for stomach ulcers \$50; gall stones \$60.

The NIS has been doling out meagre sickness benefits to workers. Its death benefit has hiked to \$400, but is still inadequate. There is a labour union drive on to make the NIS pay out larger sums in the form of benefits. Government creams off most of the NIS funds in the form of debentures and treasury bills.

CSO: 3298/577



## PPP SUPPORTS GOVERNMENT BILL ON CURBING CRIMINAL RECIDIVISM

Georgetown GUYANA CHRONICLE in English 15 Apr 83 p 1

[Text]

A BILL intended to curb recidivism was yesterday passed by the National Assembly with total support from the People's Progressive Party Chief Whip, Reepu Daman Persaud and other members of the Minority.

The Bill, which was introduced by the government through Home Affairs Minister, Jeffrey Thomas, will give more leverage to the courts and the prison authorities in dealing with the phenomenon known as the "revolving jail gate."

Persons released from prison early under a 1966 amnesty formula granting bonus remission to most prisoners on Republic Day each year, will now be subject to closer monitoring by prison authorities.

Should ex-prisoners be found guilty of committing a criminal offence within a given time period after their

release, they would be made to serve the unexpired portion of their previous sentence in addition to any term the court might impose for the latest offence.

Speaking of the formula which worked to some degree the Home Affairs Minister said government's intention was to reduce the sentence imposed by the courts but to explore new ways of promoting reform and rehabilitation of prisoners.

"We support fully policy of release of prisoners genuinely wishing to rehabilitate," replied Minority Reepu Daman Persaud adding that the amendment would act as a deterrent to those likely to abuse the opportunities given with the granting of bonus remission.

"The Bill is a move in the right direction," PPP MP said.

## BRIEFS

PNC COUNCIL MEETING--The General Council meeting of the ruling People's National Congress ended at Sophia Monday after lengthy and detailed discussions related to current talks between the Guyana Government and the International Monetary Fund (IMF). The meeting which was the council's second for the year was extended until Monday because of shorter sessions than usual over the weekend to facilitate the state visit by Cde Vidoje Zarkovic, Member of the Presidency of Yugoslavia. The General Council is the highest decision-making forum of the PNC in between Party Congresses. GNA [Text] [Georgetown GUYANA CHRONICLE in English 20 Apr 83 p 5]

JUDICIAL, OTHER APPOINTMENTS--Cde George McLennan has been confirmed in the post of Chief Magistrate. The Judicial Service Commission said the appointment was retroactive to October 1, 1982. It was also announced in the Official Gazette that Cde Richard Hilary Lashley-Bobb has been appointed an acting magistrate on contract for one year and that State Counsel Ganga Persaud has been seconded to the magistracy with effect from April 1, 1983 until further orders. Cde Carolita Drupatty Luckhoo has been appointed an acting magistrate for three months from April 1, 1983. Meanwhile, the resignations have been announced of acting magistrate Stanley Hardyal, senior magistrate Baljit Etwaroo, supernumerary magistrate Sam Hopkinson-Carter and temporary magistrate Jameer Ali Subhan. The Judicial Service Commission, which also advertised vacancies for Rice Assessment Magistrates announced too that Cde Jennifer Jacobs-Mohamed has been relieved of her position as supernumerary magistrate, Berbice Rice Assessment Committee from May 1. Among other Public Service appointments announced last weekend was that of Cde E. "Vic" Persaud as Director of Protocol in the Office of the President with effect from March 1. Cde Persaud, a career diplomat, had served at Guyana's missions in Suriname, United States, Canada and Moscow. [Text] [Georgetown GUYANA CHRONICLE in English 24 Apr 83 p 9]

SUGAR PRODUCTION--The Guyana Sugar Corporation Ltd has kept nine of its ten factories operational in its endeavours to achieve maximum production in the first sugar crop which has been affected by severe weather and factory mechanical problems. Guysuco's production schedule, prepared before the commencement of the crop, indicates a phasing-out of its factories, leaving only Skeldon and Blairmont on stream this week to produce 1,600 tons sugar. The industry, however, achieved a production of 2,900 tons, lifting the crop

total to 84,040 tons which represents 84.3 percent of the crop estimate to date. The Corporation again stated that, weather permitting, all nine factories will continue in operation until the scheduled acreages are completed. [Text] [Georgetown SUNDAY CHRONICLE in English 24 Apr 83 p 9]

REGIONAL 'POWER STRUGGLE'--Delegations from the Regional Democratic Council of Region 10 and the Linden Mayor and Town Council are to meet with the Mayor in an effort to resolve their differences and, so set the stage for unison in their approach to the region's development. Both local government bodies have expressed a desire to bring an end to what one regional official described as "a power struggle amidst personality conflicts." The meeting was initiated by the Mayor and Town Council and according to a municipal official the move was made because of the council's growing concern for the Regional Democratic Council's disregard of the local government laws. And more recently the RDC passed a motion at its monthly meeting that all efforts must be made to ease the tension between the two bodies.--(GNA) [Text] [Georgetown GUYANA CHRONICLE in English 27 Apr 83 p 8]

BERBICE DEFENSE COUNCILS--The Berbice area Civil Defence Committee has established nine councils which are responsible for promoting civil defence activities in Region Six. The regional committee includes representatives from a cross-section of the community: the police, Fire Service, nurses, People's Militia, the Berbice Chamber of Commerce, the Red Cross and public corporations. The committee is headed by New Amsterdam Mayor, Gerald Scotland. The list of councils and their convenors are: Health, Dr F. Florendo; Voluntary Fire Service, K. Sattar; Voluntary Police Service, W. Larose; Emergency Transport Service, Stanton Lambert; Rescue and Engineering Service A.E. Benfield; Evacuation Service, Gladston Welch; Welfare and Rehabilitation, Percy Thomas; Relief Service, Rev Richard Taylor; and Public Information, Kumar Ragnauth. The Regional Committee aims at bringing relief to people in time of disaster--whether man-made as in time of war, or natural, for example, earthquakes. Civil defence is considered as being 'everybody's business,'--(GNA) [Text] [Georgetown GUYANA CHRONICLE in English 28 Apr 83 p 8]

WAR ON BLACKMARKETING--The Police Price Control Squad is working in collaboration with the Ministry of Trade in an effort to effect a new system to monitor the distribution of scarce commodities to shops in Georgetown. This latest move to help curb blackmarketing in Georgetown was disclosed by a senior police official. The Ministry of Trade now supplies the Guyana Police Force Price Control Squad with a copy of a list of commodities as they are distributed to outlets and shops in Georgetown so that the price control squad can make regular checks to discourage hoarding and blackmarketing. Most of the blackmarketed commodities are supplied by unscrupulous shopkeepers. In instances where such malpractices take place, guilty shopkeepers will have their quotas forfeited. [Text] [Georgetown GUYANA CHRONICLE in English 29 Apr 83 p 1]

SMUGGLING AT LINDEN AIRSTRIP--Police in Linden are concerned about the frequent unauthorised use of the Linden airstrip by small private aircraft within recent times. Division Commander Senior Superintendent Burchell Brown said yesterday that reports have been received over the last few weeks that aeroplanes were landing at the airstrip at odd hours. Implication here are that smugglers are still using the landing strip as a drop off point for contraband goods. Just over two months ago a group of men including two pilots were arrested and two planeloads of smuggled goods confiscated by Linden Police who were acting on a tip-off. Superintendent Brown has suggested that steps be taken to render the airstrip inaccessible to any private plane unless permission to land is sought in advance. (GNA) [Text] [Georgetown GUYANA CHRONICLE in English 29 Apr 83 p 8]

DATA MANAGEMENT AUTHORITY--The National Assembly yesterday passed a government-sponsored bill which gives legal status to the National Data Management Authority as the sole agency responsible for data processing and information systems in the Public Sector. Vice-President Economic Planning and Finance, Desmond Hoyte in presenting the Bill said the Authority would be responsible for planning the development of computer systems so that as technology changes the country would be able to respond and adapt "in an intelligible manner." He said the Authority seeks to correct a number of problems which arose as technology advanced apace in the developed world and as local agencies sought to make use of these technologies without adequate preparation. The Vice-President said the Authority has "particular responsibility for training and the development of those skills necessary for supporting the new technology." He added that the agency was expected to be self-financing and to support itself from payments for services it would give and skills it would impart. [Excerpts] [Georgetown GUYANA CHRONICLE in English 15 Apr 83 p 4]

CSO: 3298/577

## CARL STONE DISCUSSES POLL RESULTS, CURRENT POLITICAL SCENE

Kingston THE DAILY GLEANER in English 4 May 83 pp 8, 17

[Article by Carl Stone]

MY RECENT POLLS have sparked a spate of letter writers raising all kinds of issues about the poll results; some genuine and some quite misconceived and spurious. A columnist has even been moved to jump to my defence.

A lady who writes from Manchester seems to feel that we have not worded our question correctly when we ask citizens if their situation has got better or worse or has remained the same since the change of government.

This is a standard question we have been asking since the JLP came to power. We had a slightly different version when the PNP was in power but it asked very much the same thing: whether people thought their circumstances were getting better or worse under a particular government.

The point the lady misses entirely is the fact that these perceptions have changed rather dramatically over the last two years. Let's examine the trend.

## Public opinions on conditions since October 1980

Conditions have got better	Conditions worse
May 1981	61% 13%
May 1982	53% 23%
October 1982	34% 43%
March 1983	32% 44%

The trend shows a declining positive perception of conditions in the country and an increase in negative perceptions of how things are changing for the majority.

Underlying these trends is the reality of frustrated expectations of JLP deliverance. The social and economic conditions of the those large numbers of poor people whose votes determine who sits in Jamaica House is not quite the same as that of either the writer of this column or the middle class letter writers and columnists who crowd the editorial pages of the *Gleaner*.

Another letter writer whose effort was prominently displayed in the *Gleaner's* editorial centre column tried to discount the poll findings by suggesting that we have undercounted JLP strength because JLP persons are more reticent to identify themselves. Some JLP support he asserts is hidden in the non-committed category.

Now I have been doing political surveys in Jamaica since 1971, although the *Gleaner* only started to publish my polls in 1976. One of the irrefutable findings of my over ten years of political polling is all polls undercount the party that is out of power.

We make a special point of measuring sample error and our sample error always shows an undercounting of opposition party voters.

There is absolutely no evidence supporting the view that there is any consistent difference between JLP and PNP supporters to reveal their identities.

Those who support the party out of power are more reluctant to identify themselves out of fear and out of anxiety over victimisation.

The letter writer is conveniently forgetting that our polls accurately measured party strength in January 1981 when our estimate came within one per cent of the actual party vote in the 1981 local elections. If his assertion were true our estimate of party standings would have inflated PNP strength in early 1981. In fact, we had to adjust our findings to correct for the under-counting of PNP support to arrive at that accurate election forecast.

This letter writer, like the lady from Mandeville, also fails to examine our polls as a trend or pattern over time. The polls show that the JLP was riding a high wave of popularity in 1981. But that by mid-1982 they begun to skid very badly in terms of public opinion support. To dismiss these trends as being freak results caused by Manley's personal popularity is to miss the point entirely.

## Opposition mood

Manley's popularity has not been restored to the high levels it enjoyed when most people listened with rapt attention to his every word between 1972 and 1976. His 60% popularity rating then has dropped to a 40% level.

The PNP credibility has been restored among some voters mainly as a consequence of the increasing unpopularity of the JLP government. The PNP has done nothing to merit it and has remained perhaps the most docile and inactive opposition party in our political history.

Now the polls show that the margin of difference between the parties is not very big. But the poll trends indicate that the mood of the country is an opposition mood that clearly favours the PNP.

The PNP at the moment is an unknown quantity. It has said very little. The party is going through leadership, organisational and internal changes. The PNP has been re-thinking its position on a number of issues.

What happens in the next elections will be heavily influenced by what kind of PNP emerges from the ashes of the 1980 defeat when the PNP becomes active again in preparation for the election.

So far, the PNP's removal of its more abrasive and hysterical leftist spokesmen has shored up its credibility with many traditional PNP voters who have turned off of the JLP and want to return to their party. If the PNP can make one step further by convincing those voters that it can run the country, Manley will get a massive majority when the votes are counted. As things stand if he and his party put their act together and re-activate themselves into a vibrant political force, Seaga will be out of Jamaica House come 1985. If the PNP falters the JLP will get back with a small majority.

This letter writer seems to be confused by our findings on whether people think the PNP is ready for power.

41% say they will vote PNP (compared to 38% for the JLP). That same 41% say that in their view the PNP is ready for power. The 50% who say the PNP will not be ready include the 38% JLP as well as another 12% who are as alienated from the JLP as they are from the PNP. Wherein lies either the puzzle or inconsistency he implies?

I completely disagree with John Hearne's view about the PNP.

In the same way that this JLP government has made some serious policy blunders and would (if they were able to roll time back to 1980) try to avoid those

mistakes I think the PNP leadership has learned something from their past errors. Our politicians are not 100% demons and idiots as some people would like to think.

I find it most unfortunate that Hearne feels that if the PNP were to win the next elections he would feel compelled to leave Jamaica.

Jamaica has a two-party system. Hearne's view is not very different from that of the ultra-left socialists who wanted to subvert the system to keep their party in power for a third term out of the feeling that a JLP victory would unravel all the "socialist progress" they had initiated.

If one accepts Hearne's view then the next logical step is to find a way of ensuring that the PNP never returns to power.

But then when you have made that step you join people like D.K. Duncan who have no respect for the people's choice as evidenced by his hysterical and vulgar ravings and rantings in a radio interview on election night in 1980.

The same people who are now saying that if Manley comes back Jamaica will "mash up" beyond recognition were also saying in 1980 that Manley did not have the integrity to conduct free and fair elections. Some were even saying then that there would be no elections at all.

## Serious pressures

Some of us including both Hearne and myself went through some serious pressures and harassment in the PNP period. But one cannot allow oneself to become so battle scarred that it impairs one's judgment to assess political trends objectively. Polls to me are just like an exercise in political arithmetic. You start with the figures and a problem and you work out the answer, without bias or favour to those competing for power. The problem with these letter writers is that they start with an assumed answer (the JLP must win again) and work backwards to the problem. By doing that they lose touch with reality.

But middle class columnists and letter writers do not determine who wins elections. The voting majority neither write columns nor letters to the editor and most of them don't even read this editorial page.

As in 1976 when the middle class view of the parties differed from that of the majority classes (in contrast to 1980) the furious spate of letter writing about the polls and newspaper's prominent projections of them will really not make any difference to the political reality the polls measure.

## AGRICULTURAL SOCIETY CRITICIZES GOVERNMENT FOOD IMPORT POLICY

Kingston THE DAILY GLEANER in English 5 May 83 pp 1, 11

[Text]

Board members of the Jamaica Agricultural Society yesterday criticised the Government's imports policy and expressed fears that if the situation continues, "there is going to be absolutely no production in Agriculture in Jamaica".

Said one Board member: "All we hear is produce for exports, and nobody is talking about production for local consumption".

JAS President, Mr. Courtney Fletcher, said the country was in a state of acute crisis, because of the general economic depression throughout the world.

"Our traditional export crops are still passing through a hard time despite genuine efforts to halt the decline; and to aggravate the situation, the bauxite industry, our chief foreign exchange-earner, is experiencing the full effects of the world recession.

Emphasising the major role he said Agriculture must play in any effort for national recovery, Mr. Fletcher said the role called for each JAS branch not only to know in detail about what was taking place in Agriculture within its parish boundaries, but also to have plans to remedy what might not be so good, and for the furtherance of what was fair and promising.

He felt that the Society should produce an agricultural plan relevant to the existing needs and put together a National Agricultural and Food Policy for Jamaica, thereby playing the lead role in the economic recovery the island so desperately needed.

"In fact, unless our Society, as a truly representative farmers' organization, is in a position to make our views effectively known to government, it is unlikely that agricultural policies to be adopted will benefit producers," he said.

Mr. Fletcher recalled that in the late 1950s and '60s major and minor export crops were the chief earners of foreign exchange, and production for domestic food consumption was fully 80 per cent of the country's total consumption. It was at a time when the country enjoyed the highest state of economic and social well-being all around, Mr. Fletcher said.

BOARD MEMBER, Mr. Ivan Tomlinson, of Clarendon, said the JAS should take an active part in shaping the agricultural policy of the country. He said that since 1980, 80 per cent of the food consumed in Jamaica have been imported. "When it was the other way around prosperity was more evident," he added.

"If this situation continues, I fear what will happen in Agriculture in Jamaica: there is going to be absolutely no production in Agriculture in Jamaica. All we hear is produce for exports, and nobody is talking about produce for local consumption," Mr. Tomlinson declared.

Stating that "it is alarming to look down the road to see what is happening", Mr. Tomlinson said that what was happening was that "official politicians" were seen standing beside a boat "swapping bauxite for milk powder, and trucks and cars".

Mr. Tomlinson's remarks came against the background of the barter system being used in bauxite sale since 1981. In 1981 arrangements were made between the Government and the United States for the sale of 1.6 million tons of bauxite to the United States for that country's strategic mineral stockpile which included the bartering of 400,000 tons for agricultural commodities used here. In 1982 another arrangements was made with General Motors for the importation of motor vehicles.

He added that the more motor vehicles that were brought into the country, more oil would be needed, and it would need more foreign exchange to purchase the oil.

"We have got to be more aggressive in our approach. It is no use burying our heads in the sand, because the whole production of Agriculture in this country is at a perilous stage", he said.

He said that when the consumer bought a lb. of rice, although it could stretch more, the consumer was actually subsidising another farmer elsewhere.

ANOTHER MEMBER, Mr. James Lawrence, of Hanover, said that what was needed was a massive

educational drive to review the trend of people preferring foreign goods to local goods. In Agriculture, he suggested that proper presentation and packaging was necessary to appeal to local consumers.

Mr. R.T. Uter spoke of the situation with the importation of lumber. He said that in Christiana, Manchester, there was a lumber plant capable of producing 3 million board feet of lumber each year. Before 1980 the plant was supplying one million board feet, but with the influx of foreign lumber the plant which had employed some 100 persons was virtually closed down, since it could not find market for the lumber.

In 1981, he said, \$9 million of lumber was imported, this grew to \$12 million in 1982 and for 1983 the projection was \$16 million, thereby putting local producers out of the market. "If we are to build our local industry on foreign goods, this would be a sham," he said, adding that the lumber industry in the country had great potential, but it was now being destroyed.

THE IMPORTATION of Irish potatoes, onions and red peas was also discussed and Mr. Fletcher felt that the Government had reneged on a commitment it had given to the JAS to stop the importation of these items.

It was stated at the meeting that in St. Elizabeth there were some 40 tons of onions that could not be sold, while foreign onions were being sold just over \$1 a lb.

Mrs. Magdalene Allen, of St. Elizabeth, said: "I have borrowed money. I have planted (onions). And I have not gotten any sale." She suggested that unless proper marketing strategy was put in place, then "nobody can open their mouths to get farmers to produce".

Mr. R.B. Bowen, of St. James, spoke of the plight of the cassava farmers since the factory at Goshen has been closed. He said farmers had tons of cassava which were not being sold. Some farmers now, he said, were going into coffee.

The meeting paid tribute to JAS immediate past president, Mr. Percival Broderick, who died last month. He was described as an outstanding past leader of the Society by Mr. Fletcher, who said that few men in Jamaica had given such distinguished service to the Society.

A moment's silence was observed in tribute to Mr. Broderick.

CSO: 3298/591



## 'GLEANER' FINDS SEAGA'S BUDGET PROPOSAL 'SOBERING MESSAGE'

Kingston THE DAILY GLEANER in English 9 May 83 pp 11, 12

[Editorial]

[Text]

The new taxation measures announced last night by the Prime Minister and Minister of Finance, Mr. Seaga, as part of the Budget presentation for the 1983-84 fiscal year, represent an attempt by the Government to realise additional resources to finance the resource gap in the expenditure budget for the year. The measures appear also to be an effort to broaden the tax base, thus spreading the burden of taxation and improving the prospect of revenue inflows.

The new tax measures, only one of which Mr. Seaga described as essentially "mass based", — i.e. the cigarette tax — are estimated to yield an amount of \$60 million for the closing of the resource gap in the fiscal budget. An additional \$15 million is expected to be raised from a payroll deduction tax to fulfill the regrading of trained teachers promised earlier by the Government, and to provide for other priority areas in education. According to Mr. Seaga, with the projected inflow from this tax imposition it can be said that the expenditure budget was fully financed.

The Government's main problem is to contain the overall budget deficit and from a level of 17.1 percent of Gross Domestic Product in the last year of the PNP 1980-81 to 13.7 percent in 1982-83 and a projected 12.8 percent in this fiscal year, it seems reasonable to suggest that it has done a remarkable job. And the fact that Jamaica has not met the 10 percent which had been targeted by the IMF for the year just ended does not change this. For the Government's revenue programme has been severely affected by the decline in earnings in the important bauxite sector. Moreover, the creditable performance in containing inflation to single digit, the growth achieved in construction and the fact that unemployment had not deteriorated further than the one percentage point are, in part, due to the fact that the deficit had been effectively managed.

In imposing taxation to finance the \$60 million, the Government has chosen sources which are almost certain to generate the desired revenue. But, moreover, the

new tax measures should not deter investment in the growth areas of the economy. In fact, the programme outlined for agriculture and industry should help to generate the growth being projected in investment. As Mr. Seaga has stated, in respect to the levy on life insurance there may be room for further discussion for it cannot be that while attracting considerable premium incomes and generating large growth and profits the life insurance industry does not pay taxes.

As far as the one percent Education tax to yield \$15 million is concerned, it is unfortunate that Government has decided to impose another special form of taxation. In addition, Mr. Seaga himself has admitted the difficulty in collecting

these forms of taxes. So why introduce another when, we believe, its aims could be achieved by a general form of tax.

The Government has projected for a 21.5 percent increase in capital formation this fiscal year. The budget which outlines the incentives, the increased assistance to production, the tax ease to pensioners and ease on overtime work effort — which is bound to be controversial — could represent a vital stabilizing force.

In general, the first glance at Mr. Seaga's presentation is that he has sought to bring the country face to face with the reality of our problems, with a recipe for solution based principally on hard work and production and on what the country can afford. It is a sobering message.

CSO: 3298/590

## PRIME MINISTER ANNOUNCES CHANGES IN PARALLEL MARKET

## Reduction in Market Rate Items

Kingston THE DAILY GLEANER in English 7 May 83 p 1

[Text]

Prime Minister Edward Seaga said yesterday that despite the proposal in the Budget for certain shifts of expenditure from the official to the parallel market rate of exchange, there would still be fewer items on the parallel market rate than on the official rate in the foreign exchange budget.

Mr. Seaga was speaking at yesterday's press conference at Jamaica House.

The Prime Minister said that, despite the arguments to the contrary, the parallel market had been tried in some countries and had worked for many years.

"All that we have done is that we have now moved in that direction," Mr. Seaga said.

The Prime Minister was answering a question on his announcement in Thursday's Budget speech that certain shifts of expenditure would be made from the official to the parallel market so as to relieve the official Budget and close the foreign exchange gap.

He had said in his Budget speech that every \$1 bought in the parallel market by the Bank of Jamaica at \$2.60 or \$2.70 would have to be sold to the official market at \$1.78, resulting in substantial loss which would have to be borne by the Bank of Jamaica and, ultimately, the Budget.

He said it has been decided that the Bank of Jamaica will not purchase dollars in the parallel market so as to avoid those losses.

As a consequence, further shifts of expenditure from the official to the parallel market will have to take place in order to provide a fully-financed foreign exchange budget with a substantial balance-of-payment surplus.

He said that the new shifts will be announced as soon as the outcome of two loans totalling U.S. \$150 million, which are being negotiated with European banks, are known.

ANSWERING another question Mr. Seaga said that the Contractor-General's Bill will be tabled in Parliament on Tuesday when the House of Representatives holds its next sitting.

Mr. Seaga said that the Government had made a commitment to the appointment of a Contractor-General and was determined to fulfil that commitment. However, the appointment of a Contractor-General was a complex process and this was responsible for the Bill just coming to the House.

The Contractor-General will be responsible for the awarding of publicly-financed contracts and investigations into complaints arising from such contracts.

ON THE PROPOSALS affecting the "second sales" of motor vehicles in the new tax measures announced in the 1983/84 Budget Mr. Seaga said that it will affect subsequent sales of motor vehicles after arrival in the island. He said 'first sales' is considered to be the purchase under which the vehicle is brought into the island. He said that subsequent sales of the vehicles will be considered as "second sales" and will be subject to the new tax.

The tax covers motor cars, trucks and buses in accordance with the following scale: less than 2,000 c.c.- \$500; exceeding 2,000 c.c., but not exceeding 3,000 c.c.- \$1,000; exceeding 3,000 c.c.- \$1,500.

The retail sales tax will apply in respect of any chargeable motor vehicle transferred on or after May 6, 1983. The anticipated revenue yield from the foregoing proposal is \$12-million for the financial year 1983/84.

ON THE International Monetary Fund he said that the Government has no reason to renegotiate the International Monetary Fund's loan terms, as new terms would definitely be harsher than the current ones.

Mr. Seaga was replying to a question on what was his reaction to claims by certain sections of the community that the terms of the loan should be re-negotiated.

## Bank of Jamaica Action

Kingston THE DAILY GLEANER in English 9 May 83 p 1

[Text]

The Bank of Jamaica will no longer purchase dollars in the parallel market so as to avoid the substantial loss it has borne by purchasing the dollar at \$2.60 or \$2.70 and selling back at the official market at \$1.78, Prime Minister Edward Seaga told the House of Representatives in his budget speech on Thursday.

As a consequence, further shifts of expenditure from the official to the parallel market will have to take place in order to provide a fully financed foreign exchange budget with a substantial balance of payments surplus. These further shifts will be announced as soon as the outcome of two loans totalling US\$150 million which are presently being negotiated with European Banks are known.

Dealing with the external account, the Prime Minister said it was a mixed bag of success and failure, adding that one of the critical factors of concern was the balance of payments surplus or deficit.

Set in historical perspective, he said, there was surplus in the 1960s which was wiped out in the 1970s and a mountain of debts left in its place. In 1980/1981 there was a deficit of US\$91 million and a surplus of US\$43 million in 1981/82. In 1982 the surplus was US\$82 million and the deficit for 1982/83 was US\$151 million.

GIVING THE REASONS for the deficit, Mr. Seaga said that the surplus of US\$82 million up to December 1982 and between December 1982 and March 1983 the deficit developed because loans programmed to come in during that period did not materialise.

He listed these loans as (1) World Bank second tranche of US\$30 million which would now materialise in June (2) IDB second rehabilitation loan of US\$30 million, (3) commercial banks syndicated loan of US\$50 and (4) sundry smaller loans from OPEC, and Japan of US\$50 million.

Mr. Seaga said that the projected balance of payments surplus for 1983/84 was US\$125 million but to realise this it would entail certain measures.

He said that throughout 1982 it became apparent that there would be a high level of liquid resource shortfall in the system "if we were to develop a significant surplus in 1983 and to improve our international reserves."

The amount he said, was US\$484 million, but the Government recognised in addition that it was not possible to increase earnings in one year to provide this amount, nor would it be possible to borrow it.

"On the other hand the extent of the no funds market made it apparent that a street market trade in foreign exchange of a considerable level existed which could be harnessed to more productive purposes.

"Government instituted the parallel market to harness these flows. The target set was US\$500 million for the year 1983/84. The market worked through the banks which bought and sold foreign exchange. The consequence of the parallel market arrangement was that certain shifts of expenditure would be made from the official to the parallel market so as to relieve the official budget and close the gap.

"The original amount shifted was US\$163 million on this basis. The official amount would still show a shortfall which it was considered would require the Bank of Jamaica to buy US\$334 million on the parallel market to close the gap.

"But every \$1 bought in the parallel market by the Bank of Jamaica at \$2.60 or \$2.70 would have to be sold to the official market at \$1.78 resulting in a substantial loss which would have to be borne by the Bank of Jamaica and ultimately the budget.

"IT HAS SINCE BEEN DECIDED that the Bank of Jamaica will not purchase dollars in the parallel market so as to avoid these losses. As a consequence, further shifts of expenditure from the official to the parallel market will have to take place in order to provide a fully financed foreign exchange budget with a substantial balance of payments surplus.

"These further shifts will be announced as soon as the outcome of 2 loans totalling US\$150 million which are being negotiated with European Banks is known," the Prime Minister said, adding that the availability of these loans would alter the amount of transactions which it was required to shift.

He said however, that since the introduction of the parallel market the inflows have reached nearly targeted levels showing a shortfall of US\$10 million, but added "the test is yet to come.

The Prime Minister said also that the quota system was a considerable improvement over last year, but other areas still needed to be looked at.

## BANANA COMPANY IN DEBT TO GOVERNMENT FOR \$118 MILLION

Kingston THE DAILY GLEANER in English 9 May 83 p 7

[Text]

The Banana Company of Jamaica is in \$118.6 million debt to the Government, through Caribbean Development Bank and Jamaica Development Bank loans, and operation costs.

This was disclosed by the Minister of Agriculture, the Hon. Dr. Percival Broderick, at the annual general meeting of the All-Island Banana Growers' Association Monday at the George Lisle Education Centre, East Queen Street, Kingston.

He explained that the Banana Company had inherited a debt of \$64 million from the Banana Board on its inception in 1979. The Banana Company had since incurred over \$18 million in debts, he added.

The Minister of Agriculture said the nation would be advised of the radical and historic steps which will be taken in the restructuring of the Banana Company and industry. This will be done in the Budget debate on May 17 when Dr. Broderick will make his presentation.

In order to liquidate these debts the Banana Company must find some \$85 million at once while servicing other long-term debts of nearly \$35 million. He stressed that if the company, operating in its present form, continued to service the industry as it exists, there would be an additional deficit of \$37.5 million for operational costs alone at the end of 1983.

"If the industry is not addressed immediately, there will be no Banana Company to purchase the fruit and this in turn will lead to the demise of the farmers".

He pointed out that this year's expectations for the industry had already been marred as the targetted 30,000 tons of the fruit for export would not be reached.

## REYNOLDS LAYOFFS CAUSE STIR; BAUXITE CONTRACT INVOLVED

## Bauxite Institute Criticism

Kingston THE DAILY GLEANER in English 29 Apr 83 pp 1, 22

[Text] Ocho Rios, April 29--The first shipment of bauxite destined for the United States National Strategic Defence stockpile will leave Kaiser Jamaica, Discovery Bay, St Ann, in four weeks time. The entire one million ton contract has been awarded to Kaiser Jamaica as a result of an impasse between Reynolds Jamaica Mines and the Jamaica Bauxite Institute.

Concerning this, and despite accusations of 'blackmail' and 'lies,' Reynolds general manager, Mr Don Phillips, declined comment.

However, Reynolds is scheduled to transport at least 50% of the bauxite because, in a previously negotiated shipping contract, BATCO, the Government agency, agreed to divide the shipping evenly between Reynolds and Kaiser. A condition of this contract stipulates that 50% must be transported in boats that are registered in the United States and subject to United States union regulations.

The boats owned by Reynolds are registered outside the United States and the boats normally leased by Kaiser also fly a "flag of convenience." These include the Jamaica Government-owned ship, Discovery Bay, which is registered in Panama.

In anticipation of the new agreement, Reynolds had recalled sixty employees. It will now lay off 100 employees, reducing the work force to 150 persons.

A recent innovation at Reynolds, the introduction of huge aluminium body trucks has also caused local comment. The trucks, each with a capacity of 100 tons, can haul twice as much as those previously used. They are an experiment in new ways to use aluminium alloy and designed to stimulate aluminium sales. The trucks are expected to prove extremely cost-efficient. However, the new system will reduce revenue to drivers and haulage contractors, and is not popular.

Meanwhile, Reynolds continues to supply some of the trial shipments of bauxite to the Soviet Union under a Government-to-Government contract. The next three shipments of bauxite to the Soviet Union will be of Reynolds-mined ore, making five shipments supplied by Reynolds.

At Kaiser, plans are underway to recall a number of the 62 workers laid off. It is expected that approximately 65% of them will be recalled, according to seniority, within the next few weeks.

Collection under bauxite levy on the new shipment to the U.S.A. will amount to some U.S.\$20 million. This will be paid by BATCO to the Jamaican Government.

Several top executives of Kaiser Jamaica, including general manager Ed Coyne, are currently in Guyana where they are negotiating a technical services contract concerning the aluminium and bauxite installation of the Guyana Government. These, an aluminium plant and bauxite mines, were expropriated some years ago from Reynolds and Alcan.

#### Impact of Bauxite Contract

Kingston THE DAILY GLEANER in English 2 May 83 pp 1, 16

[Text]

THE CHAIRMAN of the Jamaica Bauxite Institute, Mr. Hugh Hart, in a statement yesterday, said that the cut-back of staff announced by Reynolds Jamaica Mines Limited on Monday appeared to be a reaction of spite and "pure blackmail."

Mr. Hart said in the statement: "I would like to state categorically that at no time did Reynolds ever indicate to us that in the absence of any stockpile mining they would have to cut back. Their so doing appears to be a reaction of spite because we would not agree to their substituting stockpile mining for mining for their own account, and neither would we agree to give them the entire stockpile mining contract to the total exclusion of Kaiser".

The JBI Chairman was reacting to the statement from Reynolds' Vice-President and General Manager, Mr. Don A. Phillips, which was carried by the Gleaner on Tuesday, and which said that the company would have to lay-off approximately 100 workers because it was notified last week that it would not be providing any of the bauxite for the one-million-ton agreement with the United States for its National Strategic Defence Stockpile.

Mr. Hart said that there was no attempt by Reynolds to communicate with the Government through the JBI or any other channel their decision to lay off staff.

"This is the first instance to my knowledge where there has been such a gross breach of every recognised norm of protocol in the industry and where those of us who have the responsibility of regulating the industry have had to learn of such lay-offs through the public media, thus denying us the opportunity of exploring every avenue in an attempt to avoid such an undesirable occurrence," Mr. Hart said.

"This display of callousness on the part of Reynolds is considered to be pure blackmail, and an attempt to take advantage of the present adverse conditions in the industry, with the inevitable result that incalculable harm has been done to its image as a company operating in Jamaica with a corporate conscience. It is a great pity that in doing violence to its own carefully-nurtured reputation, it has also seriously affected the lives of so many of its workers and their families".

Mr. Hart said that the statement issued by Mr. Phillips as reported in the Gleaner implied firstly that it was not until "late last week" that the company was notified that it would not be providing any of bauxite for the supply of the one million long dry tons to the U.S. stockpile and, secondly, that the lay-off was primarily due to their not sharing in the supply.

"Both of these are downright lies," Mr. Hart said.

He said that since the Institute began its discussions with both Reynolds and Kaiser regarding supplying the bauxite under the agreement, the Institute had encountered great difficulty in getting Reynolds to adopt a reasonable attitude, both as to mining cost and total quantities of bauxite to be mined by them this year.

"Over the past four to five weeks, I personally have spoken to the President and other senior officers of Reynolds Metals Company and informed them that unless Reynolds changed its stance, we would not be able to award them any portion of the stockpile mining.

"Notwithstanding these efforts, which were undertaken both out of courtesy to Reynolds and in the desire by the Government that both mining companies should have the opportunity to share in the stockpile mining, Reynolds remained adamant that they would not alter their position.

"However, last week, one of the senior officers to whom I had previously spoken telephoned and informed me that in reply to my continuing requests, they were prepared to make a proposal which they doubted would be acceptable: namely, that they would change their position if they were awarded 100% of the stockpile mining.

"Because this would effectively deprive Kaiser of the opportunity of mining this bauxite and, equally important, because of certain mining rate considerations, the Reynolds proposal, as they rightly anticipated, was considered unacceptable and accordingly Kaiser Bauxite has been awarded the full mining contract for the stockpile supply."

Mr. Hart said that in 1982 Reynolds had confirmed that they would be mining 1.18 million long dry tons of bauxite for that year.

He said that subsequent to that, as result of the 1982 agreement with the U.S. Government for the supply of 1.6 million tons for the same defence stockpile, Reynolds was awarded 900,000 tons and Kaiser 600,000 tons, with the understanding that any future stockpile supply contracts would correct that disparity.

He said that without informing the Government, Reynolds immediately stopped mining for their own account and reduced such mining for 1982 to 590,000 tons — exactly half of their previously-stated amount. This, he said, meant that Reynolds used the stockpile mining to cut back on their own operations instead of treating it as additional mining, which was the intention.

He said that Reynolds was confronted about that action, and as a result an agreement was reached whereby they would re-commence mining for their own account in 1983 at the rate of 500,000 long dry tons, although this would be stockpiled in Jamaica as they were in the process of running down stocks of Jamaican bauxite stored at their plant in Corpus Christi, Texas.

He said that when the second stockpile supply contract was being negotiated, the JBI offered to share the tonnage equally between Reynolds and Kaiser. However, to ensure that, unlike in 1982, that tonnage remained truly incremental, it was requested from Reynolds that their mining rate for 1983 be not less than one million lds.

"To our surprise and dismay, Reynolds declined to give this undertaking," Mr. Hart said, "and, indeed, advised us that they intended to suspend mining on their own behalf in 1983 and to substitute the stockpile tonnage for that which they had previously committed to mine. We informed them that this was totally unacceptable and sought to persuade them to reconsider their position. As stated before, this they refused to do but for their proposal last week, which we could not entertain".

"Since Reynolds had earlier indicated to us that should they be asked to mine 500,000 long dry tons for the stockpile they would be suspending their own mining, we considered that in declining to accept their later proposal, the mining position of the company would simply revert to what it was at the beginning of the year and not receiving any of the stockpile mining would therefore not change their mining position and, contrary to the implication in their statement, should have had no effect on their work-force".



## Reynolds Statement

Kingston THE DAILY GLEANER in English 3 May 83 pp 1, 12

[Text]

Reynolds Jamaica Mines Ltd. said yesterday that when it learned on April 22, that the U.S. National Strategic Defence stockpile contract for one million tons of bauxite had been awarded and it would not be a supplier, an immediate adjustment in its workforce was necessary.

A statement issued by its Vice-President and General Manager, Mr. Donald A. Phillips, said Reynolds was clarifying the facts that led the company to announce on April 25, a temporary lay-off of 100 employees at its bauxite-mining operations.

Following is the text of the statement:

"Over the past several months, Reynolds has negotiated with the Government of Jamaica in good faith to provide up to one million tons of bauxite for the 1983 U.S. bauxite stockpile requirements.

"In October 1982, Reynolds reduced its workforce to approximately 180 employees and curtailed its production to 500,000 long dry tons of bauxite mining with local stockpiling only. Approximately 30 staff employees in excess of our needs were retained in anticipation of the GSA stockpiling in early 1983. These 30 employees would have been needed in the additional unit operations of drying, overland conveying, and ship-loading with the GSA contract.

"Reynolds is carefully studying the staff employees on an individual basis and notification of lay-off will be given to approximately 30 employees this week.

"In December and January, Reynolds recalled approximately 30 employees for minor repair work for the GSA stock-piling and other reasons. These employees will be notified of their lay-off date this week to coincide with the conclusion of the various projects.

"In February, Reynolds recalled another 40 hourly employees in anticipation of the GSA stockpiling and the additional operations needed for drying, overland conveying and shipping with the GSA contract. These employees were given notice of lay-off last week.

"WHEN WE LEARNED on Friday, April 22, that the stockpile contract had been awarded and Reynolds would not be a supplier, an immediate adjustment in our workforce was necessary for clearly we would not be drying, conveying and shipping bauxite, but simply placing bauxite in wet stockpile locally. As a result of these lay-offs, Reynolds anticipates considerable redundancy payments.

"The 1980-82 worldwide recession dramatically curtailed demand for aluminum in all of our major markets. As a result of depressed demand for aluminum, Reynolds operated its U.S. primary aluminum plants at only about 43 per cent of rated capacity for most of 1982. At the same time, the Company significantly reduced operations at many of its U.S. aluminum and fabricating facilities. Today, more than 9,000 Reynolds employees in the U.S. remain on lay-off.

"The Company's bauxite mining activities outside Jamaica were curtailed severely within the last year with the closing of the Reynolds mines in Arkansas and Haiti. Currently, Reynolds is mining bauxite only in Jamaica. In cooperation with the Jamaican Government and in support of our employees and the people of Jamaica, we built since 1974 a two-million-ton excess inventory of Jamaican ore in Texas. We have continued to operate here in Jamaica despite our excess accumulation of ore.

"However, by the summer of 1982 when the recession deepened, it became necessary to bring our bauxite inventory into a more realistic relationship with aluminum demand. We advised the Jamaican Government that the production needs of our Corpus Christi, Texas alumina plant, which was operating at only 20 per cent of its capacity, would be met totally from our U.S. inventory. However, rather than closing our Jamaican mining operation, we told the Government that we would continue to mine 500,000 tons of Jamaican ore annually, even though it was not needed. Since that time, we have built an inventory in Jamaica which now exceeds 800,000 tons.

"Reynolds also has supported continued operation of the Alpart alumina plant in which the company is a partner, despite the fact that our Texas alumina plant continues to operate at only one-fifth of its capacity.

"We are very proud of the company's record as a responsible employer in Jamaica and deeply regret the economic hardship imposed by the worldwide recession on our U.S. and Jamaican employees."

During the early months of 1983, Reynolds has experienced an upturn in order rates and shipments, and the company continues to reduce its excessive inventories as real consumption of aluminum improves. The degree of worldwide economic recovery over the next several months will be a major factor in determining how quickly the company's operations can be restored during the remainder of this year.

## ENHANCEMENTS IN INFRASTRUCTURE FOCUS ON GOVERNMENT ATTENTION

## Seaga on Rebuilding Program

Kingston THE DAILY GLEANER in English 9 May 83 pp 11, 12

[Text]

Prime Minister Edward Seaga said on Thursday that the Government's re-building programme was proceeding successfully to restore the services which had collapsed, rehabilitate the run-down and broken down infrastructures and revitalise ailing public corporations.

He said that basically the programme will attain its targets of restoration to normality within the 3-4 year periods set, with few exceptions.

He said however, that over the period it would cost \$30 million to restore the health services, \$30 million to restore the security services, \$45 million to restore the education services (primary and all-age schools only), \$10 million to restore community and playfield services, \$50 million to rehabilitate water supply systems and \$100 million to rehabilitate roads over four years.

Mr. Seaga said that this did not include the loss enterprises for which there is need for public support of \$214 million in

1982/83 and \$141 million in 1983/84. He said that some \$750 million had been lost by a group of those enterprises in 5 years.

The Prime Minister said that the re-building programme has given priority to the areas of disintegration seeking to re-build economic recovery by: restoring services to normality; rehabilitating road infrastructure to acceptable levels; repairing utility services; restoring ailing public enterprises to financial health; reviving financial flows to generate investments; reducing budgetary gaps to acceptable levels; containing price movements; generating new employment; and, restoring stability and calm in place of disorder and distress.

Speaking on the health services, Mr. Seaga said repairs had been done to the boilers of 16 hospitals, laundries at 15 hospitals, electrical systems at 30 hospitals and

clinics, sewage disposal at five hospitals, air conditioning at 29 hospitals, roofs at 35 hospitals and kitchens at 26 hospitals.

He said that while \$1.2 million had been spent on these repairs by the previous Government in 1978/79 and 1980/81, his Government had spent \$27.7 million between 1981 and 1983/84. All hospitals now have at least one ambulance and two or more doctors, he said.

The Prime Minister said that the recruitment of professional staff had increased from 639 between 1978/81 to 1625 between 1981/83.

He said that 221 police stations had been repaired since 1981 and 48 courthouses were in the process of being repaired. The strength of the Police's fleet of vehicles is expected to be 1,251 by the end of 1983/84 as against 900 in 1981/82.

He said that the Ministry of Education had repaired leaking roofs.

rotted floors, replaced sanitary facilities, poor plumbing and electrical wiring and broken furniture in primary, all-age, second and high schools. He said that with expenditure of \$6.3 million in 1983/84, the programme will be 37 per cent completed.

In 1983/84 the programme will concentrate on sanitation and water supply, electrification of schools in rural areas, provision of additional classrooms to ease overcrowding and general maintenance.

Mr. Seaga said that between 1978 and 1980/81, \$11.4 million were spent on this programme while between 1981 and 1983/84, \$31.1 million is being spent.

He said that in 1981 there were 330 community centres with 206 in need of completion of construction or repairs. The number functioning by the end of 1983/84 was 185 and the timetable for the completion of repairs was four years. The total spent up to 1983/84 was \$8.2 million.

He said that 152 post offices were being rebuilt and 15 were to be built. He said that \$8.35 million were needed to restore and build post offices and the target was three years. This year's provision is \$1.8 million and thereafter \$2 million per year will be spent.

He said that there was a four-year timetable to restore museums at a cost of \$3.9 million. This year \$2.2 million were being provided and \$1.7 million would be provided in the next two years.

Mr. Seaga said that the cost to bring all roads requiring improvement to normal standard and to maintain acceptable standards would be \$125 million, of which this year, \$70 million would be provided. He said that between 1978 and 1981, \$170 million were spent on roads while since 1981, \$244 million is being spent.

He said that a road planning unit would be set up in the Ministry of Construction which will deal with all roads except those under specialised agencies like FIDCO. He said that the Ministry of Construction would construct the road and they would be maintained by the Ministry of Local Government and the parish councils.

Speaking of the rehabilitation of the public utilities, Mr. Seaga said that in 1982/83 there was an increase in output from 190 megawatts (mw) to 340 mw and in 1983/84 the remaining faulty units are to be restored to raise the output to 450 mw which was the installed capacity of the plant.

He said that the company is seeking a 40 mw generator to replace the uneconomic gas turbines. The management audit has been completed and recovery is on the way.

On water, he said there were 65 units in disrepair and the cost of rehabilitation would be \$26.5 million over three years. He said that in 1983/84 some \$10 million will be spent on providing pumps, chlorinators, telemeters, spares, tools and vehicles for 53 systems.

Turning to the public enterprises, Mr. Seaga said that when the Government changed in 1980 there were 17 ailing public enterprises with losses of \$215.6 million. He said that his Government had sought to restore financial health to these companies. He said that of the 17 ailing enterprises, seven were no longer showing losses, six of those still showing losses were showing improvements and four—National Sugar, Banana Company of Jamaica, National Water Commission and Jamaica Railway Corporation, were still deteriorating.

He said that Air Jamaica, JPSCo and NHP were still heavy losers while showing improvements. He said that seven of the 17 showed total losses of \$215.5 million and total losses projected for 1983 is \$141.2 million.

He said that the intention was to further cut the losses next year. These losses have to be supported by Government through budget or use of bank credit which reduced the amount available for other expenditure.

He said that stiffer controls would be imposed this year with the result that more of those corporations may face receivership if they cannot show the improvements targeted.

"It is a sad fact that this programme of rebuilding should ever have been necessary at all. Had it not been necessary, \$300 million more would have been available to increase and improve our assets rather

er than replace the handiwork of state vandalism and neglect which took its toll in the 1970s and reduced our ability to offer services to the public to a wasteland of frustration." The Prime Minister said.

Mr. Seaga said that every other government in the country's history had moved easily in the transition period from one to the other to build on what existed before, but this Government has had to divert scarce resources in rebuilding what had existed before instead of building on what existed.

"We have mapped our strategy on what motivates the Jamaican people to respond and have built our policies around those motivating principles. We cannot pretend to have been completely successful by any means, otherwise we would have had more

and better results to show.

"Many have not yet benefitted because the opportunities are less than those who are seeking them. This has caused many to be frustrated. And, even where the opportunities exist, the bureaucracy is not able to cope with the flood of new and old, small and big enterprises and entrepreneurs seeking approval to make us of new opportunities in trading, in manufacturing, in construction and in transport.

"We understand the frustrations of those who are seeking opportunity without success. We hope that they will understand that new opportunities cannot be created in numbers adequate to reach everyone at one time, neither in normal times nor in these times.

"But there is another group whose discontent is not a result of failing to find opportunity. Reliance on the state to provide, is the only means of livelihood they recognise. They are the product of a system and an ideology which strangely enough preaches self-reliance, but, in truth and in fact, creates state-reliance."

Mr. Seaga said that no ideology has yet been devised to suit the Jamaican circumstances and the country had to mould and shape as it probed to find the right solutions, learning from experience, gaining and losing, but basing its thrust on finding the sources of motivation which stimulate the individual to greater effort and enterprise, and so to achievement and a fulfilling life.

#### 1983-84 Priorities

Kingston THE DAILY GLEANER in English 9 May 83 p 16

[Text]

"Water, roads and agriculture are the principal priorities of the Government in the present financial year.

This emphasis, foreshadowed in the Throne Speech, was spelled out by the Prime Minister, the Rt. Hon. Edward Seaga, in his Budget Speech in the House of Representatives on Thursday.

Under the heading of what he described as 'negatives' in the Government's Balance Sheet, the Prime Minister outlined the plans of the Government to deal with these three problem areas.

Mr. Seaga said that the urban centres had suffered from poor utility services in electricity, water and transport which were overdue as a result of poor maintenance of equipment in the past and inadequate planning for the future.

"The electricity problem is behind us," he said. "We have recovered in a little more than one year an operational level beyond the capacity of what we need. The load-sheddings in blocks are over.

The transportation problem of Jamaica Omnibus Service (J.O.S.) will be

solved this year, the Prime Minister said. Rural transport, including the Railway, will be tackled next.

On water, he said: "The drought is still with us. The plan to bring relief to Kingston in 1984 will be underway in May. At any rate, Kingston is only now feeling what the rest of the country in large part has suffered for years and years. "That is why I have ordered that a National Water Plan be prepared this year not a Kingston plan -- an a National Road Plan, too.

"Is is my firm view that any extra money this Government can find must be spent on water, road and agriculture where the work

to be done to raise standards of living and the quality of life is still enormous despite our increased efforts."

On agriculture, the Prime Minister gave details of "Agro-21", the plan to modernise agriculture production and to increase its earning of foreign exchange:

Stating that the country had had a bad year in Agriculture last year, Seaga said that, generally, the rural economy was experiencing more depression than the urban communities because in the past two to three years it had lost in earnings which flowed to the rural areas

an estimated \$25-million per annum -

- reduced sugar production

- the wiping out of the banana industry by Hurricane Allen

- the lay-off of 1,300 highly-paid bauxite workers who spent a good part of their earnings in the rural areas.

- reduced incomes for crops sold to the United Kingdom due to the declining value of the British pound.

Mr. Seaga said that putting money back into the rural areas could not be done by printing it.

CSO: 3298/590

## BUILDING SOCIETIES RAISE MORTGAGE INTEREST RATES TO 14 PERCENT

Kingston THE DAILY GLEANER in English 30 Apr 83 p 1

[Text]

Building societies are increasing their interest rates on mortgage loans, in order to cope with the problem created by a reduced inflow of funds as a result of the present tight money situation in the island.

Two of the leaders, Victoria Mutual and Jamaica National, have advised their members of an increase to 14 per cent of the rate. This is an increase of 1 per cent over the prevailing rate.

Competition from the commercial banks, which have increased their own interest rates on deposits in an effort to attract more savings into their system, has cut sharply into the funds available to the building societies by way of savings.

Only last week, the Chairman of the Building Societies Association of Jamaica, Mr. Larklin Hall, was speaking of the financial bind in which the societies were finding themselves and the consequent need, on their part, to reduce their lending scope.

Mr. Hall, who is Assistant General Manager of the Jamaica National Building Society, said that because of the extremely tight liquidity situation in the monetary system, the commercial banks were offering high rates of interest — rates with which the building societies could not compete.

Because of this situation, the building societies were looking at ways and means with which to cope with. The increase in the interest rate on mortgages, which will assist their cash-flow position, is seen as one of the means which they have decided on.

TYPICAL of the societies' approach to the problem is a letter which has been sent out by the Victoria Mutual Building Society to its members, advising of the increase in the mortgage rate as from August 1.

Signed by Mr. A.O. Ebanks, Deputy General Manager and Joint Secretary of the company, the letter said:

"Your Society has been experiencing the effect of the current upward movement of interest rates being paid on savings by the commercial banks and other financial institutions. This has resulted in significant net outflow of savings from the Society over the last few months.

"We are conscious of the economic hardships being experienced generally, but, unfortunately, have no alternative than to increase the rate of interest charged on mortgage loans in order to be competitive and viable".

Mortgage loans from building societies are a major component in the financing of house purchases by middle-income wage-earners. The increase in the mortgage rate is therefore likely a large number of house-owners who are members of building societies.

## BRIEFS

LOANS TO CANE FARMERS--The Agricultural Credit Bank is now the source which disburses loans to cane farmers on the crop lien basis, and not the Sugar Industry Authority as was formerly the case. Actual disbursement is through the People's Co-operative Banks and several cane farmers have already received loans through them. [Excerpt] [Kingston THE DAILY GLEANER in English 7 May 83 p 12]

RAIL LAYOFFS--The Jamaica Railway Corporation plans to lay off some 400 casual, temporary and task workers to curtail expenditure and save \$40,000 a week and to cut the overtime of the remaining work force by 50 percent to save \$1 million annually. The company also plans to operate its trains five days a week with a suspension of work in all departments on weekends to save \$1.5 million per annum. However, yesterday, the Minister of Public Utilities and Transport, the Hon Pearnel Charles, instructed the management of the company not to lay off any worker "until the programme of re-organization" is submitted to him for examination. News of the proposed lay offs was made known yesterday following exchange of letters between the company and the BITU and NWU, the two unions which represent the workers. Meanwhile the unions have called on Mr Charles and the Minister of the Public Service, the Hon J.A.G. Smith, to arrange an immediate meeting to try and sort out what the unions described as the "JRC jig-saw puzzle." [Excerpt] [Kingston THE DAILY GLEANER in English 3 May 83 pp 1, 12]

WATER PROBLEMS--The protracted water crisis in the Corporate Area has worsened since Monday with the removal of the Hermitage Dam and Mona Reservoir from the water supply system, because of what the National Water Commission says is the more- than-turbid condition of the water in storage which will require additional chemical treatment before it can be put back into domestic use. Public Utilities and Transport Minister, the Hon Pearnel Charles, told the Gleaner last night that for the first time in their history, there is no water available from storage in both the Hermitage Dam and the Mona Reservoir. He said that the total average supply of water stood at 37 million gallons a day down from about 50 million gallons. Elaborating further on the water situation, the Minister said that 80 percent of the Corporate Area was now getting water 24 hours per day while the remaining 20 percent received water three hours in the morning and three hours in the evening. [Excerpt] [Kingston THE DAILY GLEANER in English 5 May 83 p 1]

CSO: 3298/592

## GOVERNMENT REPORT ON ECONOMIC SITUATION

Mexico City UNOMASUNO in Spanish 18 Apr 83 pp 16, 17, 18

[Text] Report on the Country's Economic Situation: Actions and Results During the First Quarter of 1983

The government of the republic is constantly analyzing and monitoring the economic situation, and the president has given instructions to periodically report to the nation on the results of the actions taken under the Immediate Program for Economic Realignment to fulfill his duty to keep the Mexican public informed.

On 1 December a new administration took office amid a very critical economic situation. For the first time in the country's modern history inflation had hit 100 percent and real output was falling. The country's various sectors were afraid that the situation would continue worsening rapidly. There were fears of massive business shutdowns and widespread unemployment, as well as continued, uncontrolled hyperinflation and the possibility that the country would not be able to meet its international commitments.

The government has been confronting the crisis under the program that President Miguel de la Madrid announced on 1 December. He spoke truthfully on that occasion, and his administration has been proceeding accordingly. He acknowledged that problems as serious as ours could not be solved in less than 2 years and that some bitter measures would have to be taken during this time. He emphasized, however, that he would seek to meet social priorities and to be equitable in the effort at economic recovery.

Four months have now passed. The previously announced decisions have been made. Actions have been consistent with words. Even though some aspects of the international situation have worsened, such as the oil market, our internal economic problems have not, and although our economic situation is still very difficult, its most critical aspects are now under control. The Mexican Government has the leadership and the initiative to control the crisis.



Since 1 December the government's efforts have been aimed at two fundamental goals: to resolve our most pressing economic problems in the short run and, at the same time, to lay the groundwork for resolving the underlying problems that triggered the crisis. Straightening out the economy and initiating structural change is the strategy for steady and sure progress towards our national goals.

In this regard, the strategy of the Economic Realignment Program will avoid perpetuating a recession with inflation. The current problems facing Mexico and other developing countries, given the far from advantageous international context, demand innovative policies that go beyond orthodox or dogmatic prescriptions.

Ongoing efforts have been made to report to the people on the country's situation. This clearly demonstrates that the government wants to tackle the crisis with the broadest possible consensus. The president of the republic himself and other public servants are keeping up a dialogue with political parties; with peasant farmer, worker, grassroots, business and professional organizations; with the mass media and with the community in general. And this ongoing dialogue has been taking place throughout the country, not just in the capital of the republic.

In the report below on the decisions, gains and problems involved in each of the 10 points in the Economic Realignment Program, we can see the three basic goals on which it is based: to protect jobs and industry, to put government's financial house in order and to lessen inflation and exchange instability.

Major problems continue to adversely affect the economy. This is unavoidable, inasmuch as a crisis as serious as the one besetting our country cannot be overcome completely in a few short months. We must acknowledge, however, that some very important gains have been made that go to the root of our problems.

During the first quarter the most critical facets of the economic and social situation have been placed under control and the sharply worsening trend that characterized 1982, the second half of the year in particular, has been halted.

After tough negotiations with the international financial community to end the virtual suspension of overseas payments as of August 1982, the process of rescheduling the public sector's foreign debt was completed in March; the groundwork for rescheduling the private sector's foreign debt was also established. Mexico showed a responsible attitude towards its commitments and thus restored its overseas prestige, as the world gained renewed confidence in the country's ability to overcome its current difficulties. Rescheduling the foreign debt was indispensable to reestablishing the country's trade, tourist, technological and, in general, economic relations with the outside world. The rescheduled foreign debt will give us greater flexibility in coming years to straighten out our economy and rebuild the foundations for growth.

The new arrangements for controlling foreign currency have enabled the country to regain monetary sovereignty and a foreign exchange market that had been transferred outside the domestic financial system, both into other countries and onto the local black market. This is a minimal precondition for gradually streamlining our overseas transactions.

Restraint in employer-employee bargaining has avoided business shutdowns and massive layoffs. As the programs to protect jobs and industry steadily widen their sphere of action, they will help to reverse the downward trend in economic activity and on the job market.

From the beginning the administration took the necessary steps to insure sufficient food supplies the year round and introduced measures to safeguard basic consumption.

The Fiscal Reform passed by Congress in December and the rechanneling of spending towards clearly social priorities, within the framework of an austere budget, have already boosted earnings, reduced the deficit, helped to straighten out government finances and made possible solid progress towards controlling and curbing inflation.

Concurrently, a wideranging process of grassroots consultation has been carried out within the framework of the democratic planning system to put together the National Development Plan. This plan will spell out the economic and social strategy for the coming years. Thus, the country is combating its crisis with a view towards a different sort of economic recovery and towards the structural change that it wants and needs.

Major, albeit still insufficient measures have been taken to help the lower-income segments of the population through spending programs and efforts to preserve jobs.

We can already see that some branches of the economy are holding steady or recovering, mainly the ones that can market goods and services overseas and replace imports. Others, however, are still hard hit by the crisis, such as the construction industry. Thus, the situation differs in the country's various regions.

The above shows that we must persevere in our general strategy, but while acknowledging the differences between production branches and regions. The basic guidelines of the announced policy will continue to be observed, and specific measures will be tailored to the circumstances.

Within our State of Law, respecting freedoms and looking after the interests of the majority, the government of the republic is pursuing its previously announced policy amid the very difficult situation in which the country finds itself.

## I. Progress in the 10 Points of the Realignment Program

The following is a summary of the main actions that have been taken in each of the 10 points. We then outline the progress that we have achieved towards our main goals and the problems that subsist.

### 1. Curbing the Pace of Spending Growth

The public sector deficit reached unprecedented levels in recent years. The gap between government spending and revenues was already unmanageable. Maintaining that gap would have required mounting volumes of inflationary financing, inasmuch as domestic savings were insufficient and the country could no longer resort to external resources as an alternative source of borrowing. This would have meant perpetuating uncontrollable and rising levels of inflation. To avoid such a situation, measures were taken to restrain the growth of government spending and to generate greater revenues in an effort to reduce the public sector deficit from 16 percent of the gross domestic product in 1982 to half that in 1983. Such an effort has no precedent domestically or internationally but it is consistent with the gravity of the situation.

Major efforts have been made in this regard to check the excessive growth in spending. Budget spending has proceeded as planned during the first quarter. Federal Government spending during this period amounted to 23.7 percent of the approved annual figure. If we exclude debt servicing and revenue sharing for the states, the figure was 13.9 percent. Both percentages are within the limits that were set for the period. For agencies and enterprises the figures were 26.2 percent for total spending and 25.4 percent if we exclude debt servicing.

Although government spending has, in fact, been on schedule, we must acknowledge that there are major pressures on it. The initial situation was more serious than anticipated. Sizable debts not included in the budget were identified, mainly in the Department of the Federal District, and have had to be acknowledged. In addition, the spending needed to defray essential programs has turned out to be higher than anticipated, both for reasons of cost and because of social demands that had to be attended to without delay. Finally, the financial condition of the government-run enterprises has tended to be more critical than was initially thought, and this has translated into additional pressures to move towards a solution.

Confronting these pressures has forced us to allocate budgetary spending in greater consonance with priorities.

Preference is being given to spending in social areas such as education, health care and rural development; in commerce and supply; in communications and transportation, and in supporting regional development. Moreover, the growth of the budget is being curbed in the most capital-intensive sectors such as energy and industry, although the government recognizes the need to support its programs aimed at obtaining foreign exchange.

Furthermore, progress is being made in monitoring the allocation and spending of budgetary funds to achieve greater efficiency, productivity and honesty. These criteria are being applied firmly, though it will take time to permeate all programs.

## 2. Protecting Jobs

Action to protect existing jobs and to tackle the problem of unemployment is a fundamental point in the economic realignment strategy.

The emergency program to protect jobs is contained in the Federal Government's Expenditures Budget and calls for four fundamental lines of action:

--The creation of jobs in rural areas under regular programs for projects, the aim being to boost the number of jobs generated per peso of investment;

--The creation of jobs in the depressed areas of our main urban zones, in order to provide income to the population and, at the same time, to build projects that will benefit the community;

--A program of jobs for recent graduates of higher education, and

--A program to protect industry, in a bid to maintain existing employment levels and to prevent joblessness from worsening.

The programs to create jobs in rural areas have been started up, and the examples of backwardness that have been observed are being corrected. We can underscore the following actions under the main programs:

--The Secretariat of the Agrarian Reform has succeeded in saving the 80,000 jobs in the 1,940 cooperatives for which it earmarked a program. Moreover, steps are being taken to improve the original structure so as to allow for greater involvement by ejidos and to boost their profitability.

--The Contracting Committee of the Secretariat of Agricultural and Hydraulic Resources has authorized almost all of the projects under its program and is already proceeding to set them in motion.

--The Secretariat of Communications and Transport has begun 60 percent of the enhancement and construction projects called for in its programs.

The program to create jobs in critical urban areas has required a careful review of proposals and the establishment of standards for their effective implementation, and this has caused some delays in starting up the projects. As of this date, the Coordination Agreements for 10 of the 13 states initially included in the program have been signed, and the funding to begin the projects has been allocated.

The Program to Protect Industry seeks to tackle the three basic problems facing the national production machine: the drop in domestic demand; financing and liquidity problems; and the shortage of foreign exchange to import basic inputs and raw materials and to service the external debt.

To attack the problem of falling domestic demand, the spending that used to be channeled towards foreign markets is being redirected onto the domestic market, mainly through purchases of public sector goods and by supporting the supply of domestic goods in the border region.

To tackle the financing problem and the problem of scarce foreign exchange that businesses are facing, the government has implemented financial support and exchange coverage measures. Noteworthy among the former are the easy terms on which businesses can roll over their loans; the new and more flexible criteria for the use of financing guarantees, and the development banks' 180 billion peso program of credit for private and state industry. As far as exchange supports are concerned, a cover arrangement was also implemented so that businesses could pay off their foreign debts without resorting to government subsidies.

The unprecedented rescheduling of the country's foreign debt and the securing of a \$5 billion loan have been very important factors in the availability of foreign exchange. Given its complexity, this process took some time to start up. This is one of the reasons why the Program to Support Industry has not proceeded as rapidly as expected.

Certain companies in several branches are still having difficulties. There are still major uncertainties as to whether jobs can be saved and companies can continue in operation. Hence, it is indispensable for us to closely monitor the course of the economy in the months to come, so that we can respond promptly to the needs that might arise and accelerate the corresponding programs.

### 3. Continuity of Projects Under Way On a Selective Basis

Austerity in spending notwithstanding, the government has sought to streamline the execution of the authorized budget to dampen the recessionary pressures in the economy. The public sector's project construction program totals more than a trillion pesos.

We should make special mention of the infrastructure projects in communications and transportation, the water resources projects and the projects to expand the production capacity of strategic goods. Their startup has been slow, however, because of the need to evaluate the programs and determine which projects should be canceled and which ought to be speeded up as well as the administrative system under which they should be executed.

Among the major projects under way are the upgrading of 1,300 kilometers of the main highway system and the completion of 400 kilometers of new highways; the continuation of the Mexico-Queretaro dual track rail line and the program to straighten curves and level gradients. With regard to industrial ports, the first stage of Altamira and Lazaro Cardenas is expected to be completed.

As far as water resources infrastructure is concerned, 120,000 hectares are being brought under irrigation; scientific use of the rainy season [temporal tecnificado] will be made on 94,000 hectares, and another 82,000 will be reclaimed.

In the industrial sector, work is continuing on the projects to expand steel and fertilizer production capacity.

In the petroleum sector, expansion work continues at the Tula, Salina Cruz and Minatitlan refineries, and projects are moving ahead at the petrochemical complexes in Altamira, Tamaulipas; Morelos, Veracruz, La Cangrejera, Veracruz and San Martin Texmelucan, Puebla. There have also been major gains in marketing infrastructure.

In the electric power sector, work is moving forward on the projects to increase generating capacity in the medium term; noteworthy in this regard are the Caracol-Guerrero and Rio Escondido-Coahuila plants.

#### 4. Tightening the Standards Assuring Discipline, Appropriate Planning, Efficiency and Scrupulous Honesty in Executing Authorized Government Spending

There are financial, administrative and regulatory aspects to the strategy for an effective and honest disbursement of public funds, and steps to achieve this are being taken resolutely and firmly.

The legal instruments regulating the performance of public functions have been strengthened. A new section has been incorporated into the constitution concerning the responsibilities of public servants, and a new law has taken effect to regulate these constitutional provisions. These provisions specify responsibilities, establish that any public servant who commits a crime will be subject to penal sanctions and broaden the range of officials who can be impeached. Moreover, progress has been made towards disclosing the salaries of public servants. In addition to discouraging crime among public officials, these provisions seek to deter private individuals from becoming involved in such crimes for their own benefit to the detriment of society.

The mechanisms for monitoring government spending have been strengthened through the creation of the Secretariat of the Comptrollership General of the Federation, and budget regulations have been improved. Also, efforts are being speeded up to apply these regulations to all administrative levels.

##### 5. Protection and Promotion of Programs to Produce, Import and Distribute Basic Foodstuffs for the People.

A program is under way to produce, supply and control the basic basket of mass consumer foods. The basic goal of this program is to guarantee supplies of 17 product lines that have been subject to price controls so that the increase in their prices does not exceed the rise in the minimum wage. Among the most important of these items are tortillas, eggs, rice, sugar, milk and bread. A commission made up of labor and management representatives was set up to implement and monitor the program.

We would note that only four of the items included in the basket have posted fluctuations in their authorized prices, and in only one case has the increase been greater than the rise in the minimum wage. The impact of these price controls can be seen in the fact that whereas prices in general rose 22.5 percent during the first quarter, according to Bank of Mexico figures, the prices of the basic items included in this index rose only 13 percent.

The government must acknowledge that there have been problems of inadequate supplies. Several products have been in short supply either because of the failings of suppliers or due to shortcomings in administration. We must also acknowledge that some production sectors that have traditionally been discouraged are facing a critical situation. We realize, however, that structural flaws in the commercial apparatus and profiteering are still major obstacles to an effective price control policy.

The government of the republic intends to pursue its selective, coordinated price control policy to protect the food supply of the masses. However, business will also have to bolster and expand its commitments, and an effective social mobilization will have to be developed to achieve this goal.

With regard to the Federal Government's pledge to apply policies to boost output, raise productivity and guarantee supplies, a program has already been established for milk and others are being negotiated.

Furthermore, a series of specific actions have been taken to fulfill the formal commitment made on 30 December in connection with the basic shopping basket. Noteworthy among them are:

--State-run industry has boosted its production of certain items. Thus, between December 1982 and March 1983 the production of oil was up 48.3 percent; of pasta for soup, up 95.6 percent; of wheat flour, up 34.9 percent, and of corn flour, up 73.6 percent. As far as grains are concerned, complementary imports are assuring an adequate and timely supply.

--Within supply restrictions, preference has been given to union stores.

--Progress has been made in meeting the workers' requests for daily rations, and the feeling is that continuing efforts in this direction will boost daily rations from 1.5 million to around 10 million a year.

--Technical, commercial and financial advisory services continue to be offered to union enterprises.

## 6. Increase in Government Revenues

The Realignment Program seeks to increase tax revenues and revenues from the goods and services offered by the public sector (rates and prices) by 2 and 2.5 percent of the gross domestic product, respectively, in 1983. The price increases are mainly for goods consumed by the middle and upper class, while the implicit subsidy for mass consumption items such as bread and tortillas has been increased as their prices fall behind the inflation rate.

Although these price and rate increases constitute inflationary pressures in the short run, they are necessary to reduce inflation in the medium term. The government realizes that people do not always understand the apparent paradox involved in boosting these prices to curb inflation. Adjusting these public sector prices and rates brings in real additional revenues. If the government does have enough real income to meet the spending requirements for society, it must repeatedly resort to the creation of money and to inflationary financing of the deficit, which thus permanently fuels price increases. A country like Mexico, which must meet major social needs through government spending, must have sound sources of revenue such as taxes, prices and rates. We cannot accept ongoing inflationary financing of the public sector deficit, nor can we try to cut the deficit by paring back social spending or support for strategic production sectors, because this would ultimately harm our most underprivileged groups or weaken our production capacity, thus again fueling inflation. A price and rate adjustment that brings in revenue for the government could temporarily increase inflation, but it also eliminates one of the main causes of ongoing, mounting inflation.

As was announced, quarterly adjustments have been made since December in certain prices and rates, for energy in particular. It has been necessary, however, to postpone certain price adjustments, such as for mass transportation in the Federal District, and other increases have had to be held down or subsidized, such as electricity rates.

As far as tax revenues are concerned, revenues other than from PEMEX have been slightly lower than expected initially. They are rising, however, at a rate of more than 80 percent. Revenues from the value added tax and from import tariffs are increasing sharply but are less than expected. One reason for this is that both economic activity and imports have been slower than initially estimated. Moreover, so as not to put pressure on prices, tariffs have been cut for the imports directly linked to production processes, in consideration of the new exchange rates.



As a result of the efforts to control spending and boost revenues, the budget deficit for the first quarter is estimated at 189.1 billion pesos, which is less than expected and about 15 percent lower in nominal terms than the deficit during the same period last year. In real terms the deficit is less than half of last year's.

#### 7. Selective Channeling of Credit and the Use of Monetary and Credit Policy to Control Inflation

The persistence of inflationary pressures has forced the government to pursue a policy of high interest rates to encourage savers to place their funds in the financial system instead of speculating with them. In January and February, there was an upturn in bank deposits, moderating in March, however. Nevertheless, deposits rose by 142 percent during the quarter from the 1982 level. The combined impact of high interest rates and a slowdown in economic activity has led to less borrowing, though the trend began to reverse in late March. An effort is being made to channel available credit towards priorities.

Progress has been made in controlling the money supply. Its annual growth rate has been kept far below the inflation rate, and its trend has been downward throughout the quarter, moreover. The annual growth rate was 61.4, 56.5 and 49.7 percent, respectively, during January, February and March, which contrasts with the rising rates noted during the second half of 1982. This can be partly explained by the cut in the public sector deficit and, as a result, the smaller amount of borrowing needed to finance it.

#### 8. Justification of Government Authority over the Foreign Exchange Market

The justification for government authority over the foreign exchange market is that it will guarantee that the foreign exchange generated by export activities is tapped by the domestic financial system and channeled into priority imports.

To this end, major changes were made in exchange policy as of December, the most important being the establishment of a two-tiered market: a controlled market for transactions involving priority merchandise and the repayment of the public and private sector foreign debt, and a free market for other transactions.

The controlled exchange rate has been kept at a realistic level, sliding downwards in accordance with the shifts in the difference between the domestic and external inflation rates.

Furthermore, to protect companies against exchange risks and to enable them to spread out their losses from 1982 exchange rate shifts, cover systems have been established for servicing their foreign debt without resorting to subsidies.

We must acknowledge, however, that there have been major delays in putting these mechanisms into operation, some of them due to the shortage of foreign exchange and to the technical complications involved in designing and implementing them.

We are forced to admit that it is still more attractive for exporters to withhold their foreign exchange and sell it at the uncontrolled rate than to channel it through the financial system. This carries with it a danger, because to the extent that this phenomenon persists, there will be less foreign exchange available at the controlled rate for imports. Nonetheless, general economic conditions and the foreign exchange crunch have made simplification of the exchange controls impossible.

#### 9. Restructuring the Federal Government

The Organic Law of the Federal Government has been amended and expanded to revamp the administration of government. These changes seek to give the government an organizational infrastructure capable of implementing programs and activities through more streamlined and appropriate mechanisms. This process is now under way. We should note, however, that there is still excessive red tape and still too many intersecretariat commissions in various spheres of the Federal Government, but they are being simplified or eliminated.

#### 10. The Principle of the State as the Guiding Force in the Mixed Economy as Enshrined in the General Constitution of the Republic

The passage of the constitutional amendments strengthened the economic content of our constitution. In view of the political juncture at which the country found itself, the Mexican Government had to spell out its responsibility to guide the country's development and explicitly acknowledge that, with total respect for the freedoms guaranteed in the constitution, private individuals ought to cooperate in transforming the country's economy and should be given incentives by the State.

### II. Main Economic Results of the Program

In this section we outline the economy's performance in accordance with the first quarter movements of some of the major variables that are the targets of our strategy.

#### 1. Inflation

After the 10.7 percent rise in the National Consumer Price Index in December 1982, the rates of increase were 10.9, 5.4 and 4.8 percent respectively for the first 3 months of 1983. The National Consumer Price Index thus rose 22.5 percent from January to March 1983. However, efforts to control the prices of basic items kept their increase to just 13 percent, according to the indices compiled by the Bank of

Mexico, and consumer prices for the stratum earning the equivalent of twice the minimum wage rose 18 percent during the same period.

These price developments up to March show that we are in the process of bringing inflation under control, especially if we consider that the inflation rate was increasing throughout the second half of 1982. We must point out, however, that there are still strong inflationary pressures at work, associated with the inertia of previous years and with the lag in the prices of various items. Tightening our grip on inflation requires careful monitoring of price developments and redoubled efforts in pursuing the realignment program, to prevent inflation, which is still with us, from getting out of control again.

## 2. The Exchange Market and the Foreign Sector

There has been a major improvement in commercial and border transactions and in tourism.

The trade balance surplus for the first quarter is estimated at \$2.353 billion, with exports totaling \$3.2019 billion and imports amounting to \$848.1 million. This surplus is due more to a sharp drop in imports (down 74 percent from the same period last year) than to a rise in exports, inasmuch as nonoil exports fell sharply. Some lines are beginning to show signs of a recovery, however. This recovery will become more obvious, it is hoped, as export formalities are further simplified and exchange transaction are consolidated.

There has been an appreciable improvement in tourism and border transactions. In January, the number of tourists from overseas increased by 11 percent, while the number of Mexican tourists dropped by almost half. Estimates are that the surplus in tourism and border transactions during this quarter was greater than the same period last year.

One of the factors contributing to our trade balance surplus was the rise in silver and copper prices. Oil shipments from January to March averaged 1.44 million barrels a day, close to the goal of 1.5 million. Crude oil export prices were adjusted downward an average of \$2.75 a barrel during the first quarter of 1983. The resulting drop in foreign exchange earnings, estimated at around \$1.3 billion, could be offset by lower interest payments on the public and private external debt if interest rates continue falling faster than expected. Estimates are that a drop in overseas interest rates could save the economy as a whole some \$1.6 billion in foreign exchange.

As far as the controlled market is concerned, although earnings from nonoil exports are inadequate, they have improved over previous months. In March the country received the first installment of its \$5 billion loan, which will partially remedy the acute shortage of controlled foreign exchange during the first quarter.

The difference between the exchange rate on the controlled and on the free market has been reduced from 53.3 percent at the beginning of the year to 38.2 percent by the end of March.

The exchange situation is still difficult. While on the one hand there are signs that the market is stabilizing, on the other there is strong potential demand for foreign exchange as a result of the production machine's heavy dependence on imports. We should remember, however, that the country does have the capacity to replace some of these imports.

### 3. Production

Industry is one of the sectors hardest hit by the adjustments that the nation's economy is currently undergoing. Given the gravity of the crisis, which caused manufacturing output to drop more than 11 percent during the last quarter of 1982, this sector cannot be expected to recover immediately.

The available direct and indirect indicators disclose that a process of structural adjustment to the country's new economic conditions is under way. The sectors that can export or replace imports, such as tourism and certain manufacturers (textile producers, for example, among others), have managed to maintain their output levels or to step up activity. In contrast, sectors such as the construction industry, commerce and services have posted a significant drop in activity. This situation also applies in the country's various regions, where economic conditions vary.

With regard to government-controlled industry, the most recent figures show that activity is down in this sector, as output levels are below the first quarter of 1982.

### 4. Jobs and Labor Matters

A drastic falloff in employment was predicted, but this has not come about to the extent feared. The employment index for the modern sector (manufacturing, commerce, transportation and services) among those who are permanently covered by the Mexican Social Security Institute, shows that the level of employment overall has held steady or declined just slightly. This is not enough, however, given the increasing numbers of people entering the job market.

Wage increases of around 26 percent were granted during the first quarter. Labor and management agreed to these increases, bearing in mind the potential of and limitations on the economy, mainly to protect job opportunities. Several negotiations during this period led to agreements on measures to protect wages, which have helped to maintain the workers' buying power.

Employment conditions are still uncertain, due to the fragility of the economic situation. The prospects for low domestic demand among many production sectors could adversely affect employment, especially if this combines with heightened pressures on costs. Nevertheless, employment levels have not seriously worsened, due largely to the restraint shown in labor-management bargaining.

## 5. Final Considerations

A detailed assessment of the points in the Realignment Program and an analysis of the main aggregate variables of the economy lead us to conclude that:

--The program's measures have been gradually put into practice, though it has taken longer to implement certain actions to support the production machine and jobs;

--The results so far show gains, but it is still too early to assert that they are permanent, inasmuch as the economy is at a critical juncture, at which some imbalances are beginning to diminish though, at the same time, factors that entail major risks still subsist.

In conclusion, we should recall that from its outset the administration acknowledged that it would take time to resolve the grave problems facing the economy. It also noted that additional measures would have to be taken during the year, because mere inertia would not resolve the crisis and could even make it worse. Consequently, the Realignment Program will have to adapt to changing circumstances, in order to cope with emerging problems of which there was no indication when the original strategy was charted.

Such flexibility does not imply, however, that we will deviate from our set course. The program has been carried on as announced on 1 December, with the administration seeing to it at all times that the overall package of measures is coherent. This reflects the government's commitment and determination to reestablish economic stability and to restore the groundwork for self-sustaining, just and efficient development.

The government of the republic reaffirms its resolve to act with responsibility and firmness in dealing with the nation's problems. Solutions will not be postponed, and problems will not be avoided. With the responsible solidarity of all segments of society, Mexico has and will have sufficient capacity and vigor to overcome adversity and to rechannel the country's development in accordance with the nation's mandate.

18 April 1983

Secretariat of Programing and Budget

## INFLATION THREATENS SOLVENCY OF SMALL, MEDIUM BUSINESSES

Mexico City EXCELSIOR in Spanish 4 Apr 83 p 1-A

[Article by J. Jesus Rangel M.]

[Text] Jose Luis Coindreau, the chairman of the Social and Political Affairs Commission of the Business Coordinating Council (CCE), asserted yesterday that inflation "is eating away the capital" of small and medium-sized businesses at an alarming rate.

He warned that they are on the verge of being wiped out by the financial and economic crisis and that in addition to sacrificing their earnings, they are being forced to cut back their employee payrolls.

He said that the scarcity of funds is becoming alarming for these businesses in particular and that they have had to sharply cut back their expansion plans because of the lack of timely credit.

The business leader stated that small and medium-sized businesses shut down more quickly and lay off workers much more rapidly than big business and that, consequently, emergency programs should be established to help out these firms, which employ hundreds of thousands of Mexicans.

He added that the small and medium-sized businesses that are not faced with the problem of price controls in securing higher earnings and meeting their needs are instead confronted with the serious problem of not having a real deduction on investment because they cannot fairly depreciate their machinery and equipment.

He explained that Treasury authorities must allow businesses to depreciate the cost of their industrial equipment in a realistic manner, because due to inflation "the cost of acquiring machinery, equipment and spare parts has skyrocketed."

Coindreau acknowledged that big business would obviously be helped the most by such a policy, adding, however, that we must not forget that many small and intermediate-sized businesses providing goods and services spring up around the giants. "Thus, if big business is having difficulties, small and medium-sized businesses have an even tougher time."

He pointed out that at the moment most big businesses are stagnating and that if this situation gets worse or persists much longer, small and medium-sized firms are going to be wiped out.

## PAPER DENIES EL JICARO TAKEN BY COUNTERREVOLUTIONARIES

Managua BARRICADA in Spanish 25 Apr 83 pp 1, 5

[Text] So that our readers can get an idea of the lies that the counter-revolution is spreading overseas and of the irresponsibility of the transnational agencies that are quick to reproduce them, we are transcribing the text of an AP cable that talks of a purported "takeover" of El Jicaro and of Jalapa being "besieged" by the Somozists.

Just last Friday, as the counterrevolutionaries were announcing the "siege" of Jalapa, the delegates to the World Peace Council, including its president, Romesh Chandra, were in that town and afterwards, deeply impressed, spoke of Jalapa being an impregnable fortress defended by the rifles of the people and the Armed Forces.

As far as Ciudad Sandino (previously El Jicaro) is concerned, we present our readers a report by two journalists who were there, so that they can compare their account with the lies of the Somozists.

Here are the false news dispatch and the BARRICADA report.

Tegucigalpa (AP)--The Nicaraguan Democratic Force (FDN), which is struggling against the Sandinist government of Nicaragua, said today that its troops occupied the town of El Jicaro and were besieging the city of Jalapa, both in the northern province of Nueva Segovia.

In a "war dispatch" issued by the rebel radio station "15 de Septiembre," the FDN reported that "the Sandinist army suffered numerous casualties, both deaths and injuries," during the two military operations.

It added that "the Nicaraguan patriots occupied the town of El Jicaro for 8 hours on Thursday, where they were jubilantly and enthusiastically welcomed by the civilian population, who gave their unconditional support to our forces."

From Claudia Sarria and Vilma Areas

Ciudad Sandino (previously El Jicaro), Las Segovias--When the mortar shots began raining on Ciudad Sandino, everything was normal in the

town. It was 6:30 in the evening on Thursday 21 April. Students were at their classes, and some residents were attending the religious service in the town church. The village's self-defense system went into action in a matter of seconds: everyone rushed to their militia command posts; weapons were distributed, and "they gave the Somozists a beating."

With the combat morale that the columns of the General of Free Men and the legendary Danto bequeathed to Ciudad Sandino, this town of 17,000 inhabitants, located just 30 kilometers from Honduras, repelled the onslaught of a 200-man counterrevolutionary task force commanded by the Somozist "El Puma" in a battle that lasted 4 hours.

A prominent role in this battle was played by a reserve battalion of the Sandinist Youth of Managua, which coordinated its forces with the militias, the volunteer police and the mass organizations of Ciudad Sandino, all of them components of the civil defense system, to prevent the takeover of the town and to beat back the counterrevolutionary attack.

The action by the masses was summarized by the regional political secretary of the FSLN [Sandinist National Liberation Front] in Ciudad Sandino, Marcelino Berrios, who told us: "We have defeated a Somozist guard mainly by virtue of the population's involvement in all lines of defense. And this shows that we are capable of defeating the enemy wherever he attacks us."

The combatants of Sandinist Youth stated that the attack came from the hills surrounding the town, as about 200 counterrevolutionaries fired a large number of 60-millimeter mortars; they were also carrying RPG-7's, LAW rocket launchers, M-60 machine-guns, M-79 grenade launchers and hand grenades.

This task force, which aimed 22 of its mortar shots at the civilian population, fired seventy-eight 60-millimeter mortars, 16 M-79 grenades, 7 RPG-7 rockets and about 36,000 shots, including 12,000 from FAL rifles and 7,000 from Chinese-made AK's, wounding two comrades slightly.

We arrived at the hill at which the enemy concentrated most of his fire. There, in their combat positions, we found the boys who prevented the Somozists from advancing. "We gave them a thrashing from here!" said Marco Tulio Malta, a 22-year old engineering student at UNAN [National Autonomous University of Nicaragua].

North of this spot is the bridge over the Jicaro River, which the invaders hit with mortar fire. It was another of the main targets, since it links the town with Jalapa and Murra.

The Sandinist youth, their uniforms grimy and their faces tanned by the sun, began recalling scenes from the battle, which was their first military experience.



Carlos Estrada, a 3rd-year engineering student at UCA [Central American University], asserted the following as he held up the remains of a mortar shell: "We would rather lose 1 year of studies than the revolution in 1 minute."

All of the boys agreed that during combat they did not lose the spirit and joy of youth, traits that mark the character of "El Garrobo," Noel Ernesto Cruz, a 22-year old UNAN student who always has a smile on his face and always treats his comrades like brothers.

"Even though this was our first combat, we showed great discipline and revolutionary conviction, and this led us to victory," stated a comrade who commanded the unit during part of the battle.

A Member of the EDSN [National Sovereignty Defense Army]

"It's because the Sandinist revolution has fulfilled Sandino's ideals and kept on struggling against the Yankees that they want to snatch away the freedom we won on 19 July," said an emotional Eulogio Espinales, a member of the EDSN. Eulogio, who is almost 70 years old, conversed with us as he did his shift at the command post. "The contras are the same old Yankees. And of course we're going to defeat them. We did it once before with sticks and bad weapons, and now we have a people united into a single army," he asserted.

After the Attack

Ciudad Sandino, a farming town completely surrounded by tall hills, was engaged in its normal activities as day broke on 22 April. Classes were proceeding normally at all learning centers; government offices were on their regular schedules, and the Popular Education Centers (CEP) continued their instruction.

Wearing their militia uniforms and carrying their rifles and the necessary learning material, those taking classes at the CEP's showed up there on schedule just 22 hours after the counterrevolutionary attack.

Zenaida Reyes Laguna, a technical teaching assistant for adult education in the region, explained that the two main problems facing adult education are the mobilization of many of the students in reserve battalions and the start of the growing season.

There are currently 122 CEP's in the region, with 54 of them in full operation in Ciudad Sandino. Zenaida mentioned that both the enrollment and attendance of students have been regular and that the four levels of popular education are available in the region. "In spite of the problems we are faced with, the program has not lost its sequence and regularity," she asserted.

She pointed out that the 122 CEP teachers in the region periodically attend workshops to enhance their training and acquire a total mastery

of methodology. "It was impressive to see how the teachers and students rushed out of their classrooms and grabbed their rifles the night the contras attacked the town. They all ran to the militia command posts, and although many did not get hold of weapons, they offered to do other work," Zenaida noted.

The zonal FSLN committee gave incentives to outstanding comrades during the battle, awarding them the "I neither sell myself nor surrender" brooch. Among them were militiamen, members of the CDS [Sandinist Defense Committees], affiliates of AMNLAE [Luis Amanda Espinoza Association of Nicaraguan Women], members of the reserve battalion of Sandinist Youth and volunteer policemen.

#### Volunteer Policeman Slain

A few hours before the battle began, a group of masked counterrevolutionaries broke into the humble home of Timotea Rocha, a peasant farmer, and killed volunteer policeman Carmelo Marin, who was paying her a visit. She fled with several grandchildren, and they later heard a number of shots. Benito Marengo, a peasant farmer who was chatting with Marin when he was killed, said that he managed to wound his murderer before succumbing.

The 60-year old Marengo was taken by the Somozists to "El Cacao" Hill, from where he escaped when the contras received orders over the radio to move towards Ciudad Sandino.

Crushed by the death of her husband, Mrs Balbina Medina, a mother of seven, said that the counterrevolutionaries deserve to be exterminated. "They could make a lot of women widows, like they did me," she said.

Marin had made a name for himself as a volunteer policeman because of his resolute devotion to revolutionary tasks. His body was found the following morning, decapitated and bearing obvious signs of the Somozists' criminal rage.

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CSO: 3248/750

BISHOPS ISSUE COMMUNIQUE; CRITICIZED BY PAPER

Episcopal Conference Communique

Managua EL NUEVO DIARIO in Spanish 15 Apr 83 p 1

[Text] We, the bishops in the Nicaraguan Episcopal Conference, with the priests, nuns, monks and lay workers, faithful to Christ and his church, express our feelings in connection with the pastoral visit to our fatherland of His Holiness Pope John Paul II.

First of all, we once again thank God for the inestimable grace of having had the vicar of Christ among us, who with paternal goodness sought to share with us the wealth of his illuminating words imbued with faith, hope and love, to encourage and strengthen us in fidelity to Christ and his church.

We were filled with happiness to see the love of our faithful Christians for the pope demonstrated by the great sacrifices made in order to be able to see and hear him, in some cases even heroic sacrifices.

We are certain that the word of the Holy Father was heard with gratitude, veneration and hope by the Catholics of Nicaragua, and without a doubt it will produce abundant fruit among our faithful Catholic people, who are characterized by their generosity and love for the church.

In view of these beautiful and edifying attitudes, we can only regret and energetically condemn the unspeakable disrespect shown of the eucharist and the person of the vicar of Christ, not by the vast majority of the Catholic people, but of a minority who acted in the desire to transform such an infinitely religious and ecclesiastical act as the holy sacrifice of the mass into a political party event in Managua on the afternoon of 4 March.

We are also happy to note the attitude of the faithful Catholic people--the vast majority--and their priests, who spontaneously and immediately undertook, and are continuing to undertake, actions to make redress and amends, and we hope that this attitude, an expression of the profound faith of our faithful Catholic people, will serve as an incentive for the consolidation and strengthening of their traditional devotion to the eucharist and their firm and unconditional support of the pope, the pastor of the universal flock.

We issue an appeal to all of the Catholic faithful in our dioceses, urging them to remain intimately linked with the pope, offering him atonement and prayers and studying his messages, the faithful expression of the gospel, the true bread of the word of God, to give them life.

May the intercession of the Holy Virgin Mary help us Nicaraguans to be always true to the calling of unity and fidelity to the true church.

Signed in Managua on the twenty-fifth day of the month of March in the year one thousand, nine hundred and eighty-three, the Fiesta of the Annunciation of Our Lord.

The Episcopal Conference of Nicaragua: Msgr Miguel Obando Bravo, archbishop of Managua, president; Msgr Leovigildo Lopez Fitoria, bishop of Granada; Msgr Pablo A. Vega M., bishop of Juigalpa; Msgr Julian Barni S., bishop of Leon; Msgr Ruben Lopez Ardon, bishop of Esteli; Msgr Salvador Schlaefer B., bishop of Bluefields; Msgr Bosco Vivas Robelo, auxiliary bishop of Managua; Msgr Carlos Santi, bishop of Matagalpa; and Msgr Pedro L. Vilchez, prelate of Jinotega.

#### Paper's Commentary

Managua EL NUEVO DIARIO in Spanish 15 Apr 83 p 10

[Text] Our Necessary and Dutiful Commentary

We are amazed...

When the Nicaraguan people are awaiting condemnation of the aggression from which we are suffering from the church hierarchy.

Or a word of consolation to the mothers of the young people who have been assassinated. Or for the peasants and people's teachers who were kidnapped and tortured to death, women included.

Or even a reference to the barbarity of destroying children's centers. Or a simple plea that no more blood be shed in our fatherland. Nothing of this sort occurred, but instead we have received a communique from the Episcopal Conference concerning the visit of His Holiness to Nicaragua a month and a half ago. Signed on 25 March, it was released on 13 April. This communique, on the basis of subjective interpretations, reflects within its context a desire for confrontation, or rather an incitement for converting the war which the imperialists have already declared against us on the frontier with Honduras into a holy crusade.

How can we prevent the people from seeing the bellicose "timeliness" of bringing up the pope's visit at this late date?

How can we make our people believe that the untimely nature of the communique and the lag between the signing of it and its release are not linked with the escalation of imperialist aggression?

We would like to debate the real disrespect shown to the pope by Reagan in his 11 March speech--that on the fourth frontier, when he made his whole criminal policy seem to coincide and be based upon the pope's homilies in Central America.

We would like to point to the vulgar manipulation of His Holiness by the President of the United States, who sent an order to Magana to the effect that the pope should not discuss negotiations in El Salvador.

But this is no longer the most important thing.

There is a written record of the Reagan speech and we did not invent his manipulation of the pope, for it was reported in the newsmagazine TIME and has never been denied.

And yet the church hierarchy never protested about these deeds. And yet the church hierarchy prefers to emphasize the activities of the Sandinist people in 19 July Square. And yet the church hierarchy subordinates all its pastoral efforts to the neglect of the damnable bloodshed in Nicaragua, magnifying the factors in division and which provoked the hatred we are trying to overcome. We can only conclude that the peace and charity of the gospel are lacking in the hearts which were the inspiration of this communique.

Let God forgive them, for we do not dare to ask our people to do so!

#### Bishops Reply to Criticism

Managua EL NUEVO DIARIO in Spanish 22 April 83 pp 1, 10

[Text] We have received a statement from the Nicaraguan Episcopal Conference, signed by the bishop who is its secretary, referring to the comments published on the last communique the conference issued. We are publishing this response, followed by our comments:

The Nicaraguan Episcopal Conference, in view of some interpretations which have appeared in various media concerning the "Bishops' Communique Concerning the Visit of the Holy Father to Our Country," deem it necessary to provide the following clarification.

1. The communique was of a religious nature and referred exclusively to the visit of the Holy Father. Therefore, comments or statements of a temporal, social or political nature were not appropriate. This attitude cannot be regarded as unpatriotic. Love of the fatherland should be cultivated with magnanimity and fidelity, but without narrowness of mind, and should encourage friendship and unity among the various races, peoples and nations in respect for the truth, justice and freedom (see Vatican II, Constitution Gaudium et Spes, No 75; and John XXIII, Encyclical Pacem in Terris, No 80).

2. In no way was the communique intended directly or indirectly to provoke confrontation or justify warlike actions. This subjective interpretation is

absolutely unacceptable, and can only lead to the creation of confusion among the citizens.

3. The right to public opinion in the church, as Pope Pius XII explained, is not an absolute right, but is limited "by the unalterable respect and profound love of the divine order, that is to say in the present case, of the church, as it is and as it exists concretely here below, in space and in time" (AAS, 42, 1950, 254.256). It is necessary to develop and publicize correct public opinion, and this requires that all information always be objectively true and, except as dictated by justice and charity, complete (see Vatican II, Decree Inter Mirifica, No 5.8).

4. Dialogue is only possible and effective when it seeks what is true, good and just. Dialogue demands openness and tolerance, not prior condemnatory judgments. Dialogue must be unselfish, objective and honest.

Whenever it will be pursued with sincerity of spirit, we bishops are prepared to undertake true dialogue in search of harmony and understanding.

5. "Ideological division," when it is a question of basic points in the doctrine or the discipline of the church, in fact produces division within it, to a much greater extent if it functions "excluding or against the will of the bishops to whom the Holy Spirit has entrusted the guidance of the church of God," because "the unity of the church means and requires of us that we subordinate our doctrinal concepts and our pastoral projects to the guidance of the church, represented by the pope and the bishops" (homily by Pope John Paul II in Managua).

In this connection, it is painful to note that there are those in our fatherland interested in dividing the church. There are groups of priests and the faithful who, outside of--or against--the church structured around the bishops, are attempting to build a so-called "popular" church and are mixing what is Christian with what is political and "partisan," forgetting that "the Christian who wants to live his faith in political action conceived as service, cannot without lapsing into contradiction within himself, support ideological systems which are radically opposed to his faith and his concept of man" (Paul VI, Eighth Letter Adveniens, No 26), although this opposition is skillfully concealed by means of theoretical statements which manipulate ideas and ignore the reality of the facts and true Catholic doctrine.

6. True communion with the pope and the bishops lies not in words, but must be evidenced in practice in obedient and respectful acceptance of their teachings, in benevolent charity toward their persons and in pastoral cooperation for the building of the body of Christ.

7. Christian peace is a gift which comes from God. It is a fruit of the order established in human society by its divine founder, which men must allow to mature. This peace will never be the product of repression and violence. Therefore, each individual must build peace in his private life and in his social activities.

Peace emerges from justice, from true liberty and from labor to secure the common good, in other words, the complex of social conditions which allow the citizens to develop their personalities fully, both in the natural and in the supernatural realm.

Peace is the fruit of the love of God and one's neighbor. It is forgiveness and reconciliation. Therefore it is necessary to call the attention of all Christians to the need for them, living according to the truth in charity, to make an effort in search of concord and peace.

Managua, 20 April 1983.

#### Nicaraguan Episcopal Conference

#### Paper Responds

Managua EL NUEVO DIARIO in Spanish 22 Apr 83 p 10

[Text] Commentary by EL NUEVO DIARIO

To stress what we regard as positive in this statement, the willingness for dialogue, harmony and understanding expressed is worthy of attention. Like them, we believe that this dialogue should be truthful, that is to say inspired by the truth.

To achieve this truth and to eliminate the prejudice and haughty claims to ownership of it, it is necessary to begin by recognizing what is objectively clear.

The omission in the clarification of any mention of the untimeliness of the communique is evidenced that there is no true rebuttal to our statement.

The fact that the recent communique made no reference to the victims of the hatred and cruelty of the Somoza supporters and their North American sponsors cannot be justified by the religious nature of the document, since this would mean claiming that Christianity, or specifically Catholicism, is a mere catalogue of faith unrelated to humanity and charity.

In any case, no one can dispute that in no other communication have the bishops been able to come out against the horrible crimes which have been committed against our people.

Can it perhaps be that the [miskitos] burned to cinders by the Somoza guards the Reagan administration arms and trains are not "objectively true?" If they were in doubt, the bishops should have sought out the surviving engineer rather than taking refuge in a handy definition of the right to public opinion.

If things that clear and objective are not accepted by the bishops, no one can blame us for subjective interpretations logically imposed by the present circumstances in which our country finds itself.

Questions such as whether the revival and magnification of incidents are not efforts to accumulate arguments to justify the aggression against Nicaragua are absolutely inevitable.

Apart from the statement, we cannot accept as objective the claim that participation by the spiritual guides of a country in politics is antireligious either, because this would mean going against the social nature of man, and as we have said before, it would remove from Christianity all temporal activity.

Nor do we want to fail to point out, as another serious lack of objectivity, the insistence of the church hierarchy on the efforts to create a popular church, despite the fact that, through exhaustive reiteration, the revolutionary Christians have explained clearly that they support obedience and discipline in the faith with the legitimate pastors of the church, but that there is a right to their choice for the poor, and a right to believe and defend the thesis that there is not contradiction between Christianity and revolution.

Finally, if, as the church hierarchy says, every individual should begin by building peace in his private life, we invite them to contemplate the following.

Would it not be a rash judgment to state that the Christians who endorse the revolution have supported ideological systems which are radically opposed to their faith and to their concept of man?

This same judgment might be voiced with the claim that some bishops have supported systems such as that of capitalism, the warlike system of Reagan, that which wipes out towns in El Salvador and Guatemala, that which struggles for survival by exploiting and mocking the poor. However, we believe that this latter judgment would not be a just or evangelical action on the part of the revolutionary Christians.

Why then do the bishops not try to avoid such categorical statements and consider that they may not be the absolute possessors of the truth?

It is along this path that one can really proceed toward peace for ourselves and our fellow men.

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## CORRESPONDENTS REPORT ON FILA DE LA YEGUA CLASHES

Managua BARRICADA in Spanish 18 Apr 83 pp 8-9

[Article by BARRICADA special correspondents Alberto Reyes and Leonardo Barreto]

[Text] Fila de la Yegua, Nueva Segovia--The Sandinist rifles entoned a chorus of liberation when hundreds of them opened fire on the positions of the Somozist guardsmen this past 8 April.

The place: Fila de la Yegua; the time: 9 in the morning; the principals: the combatants of our Sandinist Armed Forces, hundreds of young workers, peasant farmers, students and professionals...the same people who have crushed the current invaders sent by the Reagan administration since 19 July.

As BARRICADA special correspondents, we arrived on time for our appointment. Blending in with the troops, we left from somewhere in the mountains to hunt down the criminals of old.

It was 3 in the morning. The hilltops were covered by young pinetrees, and the wind there at this early hour on 7 April brought to our ears the far-off sound of airplane engines. The chill reached to your bones.

Movement is everywhere. The military command reviews every detail. Some come and go along a dusty road, and those faces in the dark reflected an optimism that I will never be able to forget...This is the permanent hallmark of Sandinism: a war waged with joy to win peace.

The route of our trek today confirms what an old Sandinist told us in Quilali: "We didn't sell out our country." It was as if he were posing a challenge to this entire generation of combatants who, rifles in hand, peer into every corner, like youngsters with slingshots looking for bugs.

We have passed several abandoned estates by noon. There are signs of "the dogs." They always leave disaster behind them, food wrappers and boxes of Gringo bullets. "We're doing fine," says a comrade; "they've been here."

An EPS [Sandinist People's Army] officer and the guide explain to us that some of the owners of these estates were tricked by the contras and headed for Honduras, while others live in towns like El Jicaro, Murra, Quilali, Ocotal and even in Managua.

We are in the northeastern part of Nueva Segovia Department. The criminals have raped peasant farmer girls in every home where families still remain.

Our column is like a major procession of ants. Each piece of equipment is covered with sweat. The ascents to the peaks and the descents into the valleys of this terrain seem endless.

When we stop to rest, we talk about and recall our loved ones, discuss the domestic political situation and boost our combat morale to the maximum. We are all certain that we have the solidarity of so many sister nations.

The sun, reddened by the smoke from the fires in preparation for the upcoming harvest,, the flight of herons and the flocks of birds herald the arrival of winter, we are told by our guide. We come to an estate, and the combatants pitch camp in a beautiful pine grove.

#### From Breakfast to the Firing Line

Dawn on Friday, 8 April: It is 5 in the morning. Everyone is up and on combat alert. We must move on. Everyone prepares his own meal, as the silhouettes of our comrades are outlined amid the thick mist covering the mountains.

The battalion's political leader said that the boys are anxious for an encounter; they have been mobilized for 4 months now and want more action. There's a real character in our squad: "Kambulan," a blunt 42-year old peasant farmer from the outskirts of Managua and the father of four. "We have to find those dogs, because we're going to do away with them. I'm fighting for the future of my children," he tells us as he prepares coffee for breakfast.

He jokes around with everyone and is one of the many sources of joy in the column.

We came upon several orange trees heavy with ripe fruit, and the breakfast menu lengthened that morning.

The order to break camp came at around 7:30, and the calories we took in began burning off as we headed up a hill a few meters away. About 45 minutes after the last of our comrades left the rest spot, we heard the first mortar explosion.

"We've made contact, there's the smoke!" the comrades walking closest to the BARRICADA team cried almost unintelligibly. We walked up to the commander and asked him. "It's close by, about an hour," he replied.

The combatants, who had begun the march slowly as they shook off their morning tiredness, now received a direct electric charge to their leg muscles. Some wanted to move ahead of those in front, but this can't be done. "We are in a guerrilla-style mobilization. Maintain your positions," the platoon and squadron commanders ordered. The chatter of machine-gun and rifle fire drew nearer with each step.

#### The Scene of Battle

As we were crossing a coffee plantation, the commander informed us that one of our combat teams had clashed with the enemy as it was nearing Cerro de la Mula.

It was about 8:45. From this point on our column headed towards the rattle of machine-gun fire and the loud explosions.

We finally come upon what looked like the scene of the battle, and the communications man begins doing his job. The column commander reported on the situation. In front of us is a pine forest that slopes down and ends to our right (south). In contrast, as the forest ends to the north, the hill slopes further upward, and there are the enemies of our people.

The distance between us is some 1,000 meters as the crow flies. There is a hollow between the two points. Two figures are moving in a clearing of the forest, and a minute later we hear shots from an FAL in front of us. Our position is being fired on.

Some 20 or 30 rifles respond almost immediately. The natural acoustics of the hills turn the first exchange of fire into a deafening roar, like the arpeggios of a philharmonic orchestra in an enormous concert hall.

The battle continues to the north. Several of our squadrons are sent south to locate positions, and the rest head westward.

There are snipers among the contras, and we advance cautiously.

The guide told us that this is La Virgen hill, which is connected by the mountain range with La Mula hill in Fila de la Yegua, which was to be the scene of battle over the next 2 days.

#### It's Odd That They're Staying Put

Only part of our column "showed up" with its firepower. Breaking through the underbrush, we come within some 500 meters of the enemy by 11:00 in the morning; our position is somewhat disadvantageous because the enemy hill is quite high.

From that point on the rifles do the talking. Among the combatants are veterans of other encounters.

From the time we took our position, we realized that the enemy is almost surrounded. Our war cries are the watchwords "National Directorate, give your orders!" "Free fatherland or death!" "The border will be the graveyard of the counterrevolutionaries!" and many others. It is just like when we attend mass rallies in Revolution Square, in the streets. But the atmosphere is dominated by hot lead, the rumbling of mortars, the noisy explosions of LAW rockets and the clattering gunfire of imperialism's snipers.

The battle rages everywhere. You have to keep your head under cover and move from side to side. This is what our comrades are doing as the projectiles whistle by.

At around 3 in the afternoon the platoon commanders receive orders to continue advancing. Our group is stretched along one side of the mountain, heading up. To the north, the other group continues the battle.

At 4 we receive the first dispatch, reporting that Comrade Candelario Martinez was hit a half hour after the shooting began and died. He is the first casualty.

The battle has been going for more than 6 hours now, and the combatants are starting to comment that it's odd that the mass murderers have not abandoned their position. A close look at the eastern slope that the criminals control shows that they have more people in houses some 2 kilometers back from the hill and that they are reinforcing their front line from there.

Almost at nightfall the battle heats up considerably. The aggressors are using M-79 grenade launchers and have at least two 60-millimeter machine-guns in place, but they're doing no better.

#### Night Falls and We Get to Know the Enemy

For the entire first day the enemy gave few signs of his presence. In reply to our comrades' rallying cries they defiantly shouted "Come on out, you punks!" also yelling obscenities and common insults in a mocking tone. In short, there was also a war of words.

The reports that the command has received so far indicate that they could be a force of about 60 men.

Before nightfall we receive a piece of news that further inflames the entire group. Dagoberto Blanco was hit by a sniper. "Dago," a student aide at the university, an outstanding soccer player in his neighborhood and a future intellectual brandishing his rifle to defend our sovereignty, has fallen for his country.

Francisco Morales Lopez, the 14-year old nicknamed "Chaval Vago," is also among those slightly wounded during the battle.

At night the fireflies conspire to give the impression that these mountains are an extension of the black, starlit sky that is pierced from time to time by the glow of tracer bullets.

We do not know how many casualties the enemy has suffered by now. Some comrades say that the enemy has taken his wounded back to the houses behind the lines.

#### Second Day of Combat

We spent the night in a small enclosure, one eye open, the other shut. At that point we became convinced that the situation was static. We had to look for something better.

The second day: Saturday, 9 April: The first ray of the sun that timidly peered over the horizon at about 5 in the morning through the heavy mist was heralded by the insistent chatter from the Chinese-made AKA rifle that a sniper to one side of us was firing.

They brought down 15-year old Jose Anselmo Flores. He had some small scrapes on his face. An FAL bullet had hit the firing mechanism of his AKA. He was bleeding a bit, but the medical officer fixed him up.

We had our third casualty this morning. The story makes its rounds, and it is as if more fuel was added to the fire. Everyone is all hopped up. It's around 8 in the morning. It was Comrade Sixto Garcia. There are several accounts. He was on the front line and fell spraying bullets.

It's the exact same scene as in Suchitoto. It could have happened a thousand times in Vietnam, the Bay of Pigs, Angola or Ethiopia, our memory promptly tells us.

Just before noon the gunfire is as heavy as it was at the outset. Our sweaty combatants head for the stream to get water and then return to their positions. We mingle with the mortarmen a little behind the front line, and many of the combatants, who know that we are from BARRICADA, tell us about what they do.

#### The Clash on La Mula Hill and Nightfall

The midday sun was right above the hilltops as from the southeast we heard mortar explosions and the echoes of another concurrent battle.

"They're fighting our forces over there too." It's about 3 kilometers off, on La Mula hill, the highest point on the slope of our battleline, we are told.

At around 3 in the afternoon we went to take a look at the right side of our front and saw the fighting on La Mula. Thick columns of smoke were rising up there, while on La Virgen hill (the scene of our battle)

the gunfire that has been going on since yesterday has burned almost all of the surrounding area, except the pinetrees, which are the natural parapets of the Reagan administration's agents.

The only way out for the mass murderers is to the northeast, but we are expecting our forces there as well.

The site of what used to be a large camp showed many signs of the escape that the contras made on Sunday morning, leaving behind many bodies, some of them buried, such as "Rasputin," one of their commanders, and other Reagan henchmen abandoned along the way.

The outcome of the operations in this zone is going to be disastrous for the invaders, who have suffered many casualties in the clashes.

Just before nightfall on Saturday our command post was told of our fourth casualty, Comrade Henry Ruiz.

The snipers carrying rifles with telescopic sights are the cause of our few combat losses.

The 40-hour battle as of nightfall on Saturday is an endurance record for the disjointed "task forces" that the Yankee imperialist aggressors have sent out against us from 15 kilometers to the north in Honduran territory.

On Monday the 11th we were able to climb up La Mula hill to photograph the dead guardsmen, the foxholes and the roads that they traveled here for 15 days below a dense thicket covering the hilltop.

They left many supplies behind: medical gauze, cotton, paper; even the dry blood-stained leaves tell us how many of them were wounded.

Walking through the steep highlands for 3 hours, we find several bodies. The vultures in the hollows tell us how many casualties our Sandinist might has caused among the enemy.

#### The Capture of La Virgen Hill and Other Clashes

We mounted an assault, got to within 50 meters of the edge and decided to wait. Sometime past 4 in the morning a few men went down; the feeling was that the Somozist guard was probably beginning to withdraw.

At 7:30 the Sandinist forces took the hill and began their search operation. In their flight the aggressors left behind five LAW rockets, ammunition, several partially carved up sides of beef, hogs that they slaughtered and did not have time to eat and several bodies that they were unable to bury on the eastern slope of the hill that they had occupied.

Almost 45 hours of fighting. Our lookouts spotted the mass murderers as they were fleeing on Sunday morning. They were carrying their wounded on muleback, but it was not all over.

A combing of Fila de la Yegua and the surrounding area led to minor clashes with isolated groups, as we were able to count up 10 more counterrevolutionaries who "did not pass."

They suffered three more casualties on their flight at La Pavona, and we hit them again at El Cano de La Leona from 9 in the morning until noon. The enemies of Sandino's homeland were becoming demoralized.

We found another common grave at the foot of La Virgen hill. We did not count how many nor did we check what sort of troop they were. The main reason was that we were tired. There were several of them, however.

#### A Meal Without Gunfire

Shortly after noon on Sunday we arrived at the "El Jilguerito" estate, just about the largest in the upper elevations of Fila de la Yegua.

It was owned by one Catalino Moreno Mairena. We heard reports that he left for Honduras about a month ago and was collaborating with the contras.

We got another surprise upon our arrival. We found another contra dead inside a rudimentary air-raid shelter. He had no identification either.

We dined on chicken broth (there were very few fowl left, of course), a fresh piece of roasted beef and cooked bananas and talked about our salvos against the contras.

It will be hard to tell exactly how many mass murderers, how many mercenaries serving the CIA and the interests of imperialism were left behind in the ditches and gullies or half-buried in the area, but the rallying cry "they will not pass" has unquestionably been carried out today and will be in the future.

The grave of a contra commander has reportedly been found, a contact man remarks.

We immediately took off with our camera and notebook. It was discovered about 1 kilometer away on a banana plantation. All indications are that the individual was treated for his wounds and given a change of clothing and that they built him a coffin, wrapped him in military blankets and apparently even had time to pay some sort of respects to the criminal commander.

Near the marshy area is a house, where our troops took time to rest. It had been partially destroyed by a well-aimed mortar shell.

The dead man has been identified by a peasant farmer scout as "Rasputin," a contra ringleader. He was about 30 years of age, with white skin and light eyes. His remains were not yet decomposing.

The remnants of the counterrevolutionary military force have withdrawn. They have fled Nicaragua. The women in several peasant farmer homes recount in horror the abuses that they are subjected to when the CIA's and Reagan's criminals come through.

Fila de la Yegua, the scenes of the battles recounted in this article, is a very high spur of the Dipilto mountain range, and because we saw it for ourselves, we can assert that the red and black flag flies alongside the blue and white banner of our country over every inch of this region.

Everything is in its place here in the Segovias, the birthplace of Sandinism. Death to Somozism!

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CSO: 3248/746



## BRIEFS

COMMANDER VISITS BATTALION--Guerrilla Commander Lumberto Campbell, assistant minister for Special Zone II, visited the Reserve Battalion in southern Zelaya that is defending our homeland at several border posts. In a lengthy talk the reservists sent greetings to their relatives and humbly expressed how much they had learned over the past few months, inasmuch as they had experienced first hand the aggression that the former Somoza guards and the U.S. Government are engaged in against our country. They said that in recent days a group of Somozists harassed their post but "took off running when our combatants in circular defense formation began firing at them and shouting rallying cries," one of the reservists stated. Comrade Kent Hucher said: "When we used to hear about the attacks over the radio in Bluefields, we didn't feel it, we thought it was a game. Now we realize that it's for real, that they want to destroy our revolution, our peace." Another comrade in the reserves stated that although it had been hard for them to adjust to military life, to discipline and to scarce rations, their morale and combat readiness were high, inasmuch as the problems they were facing were not obstacles to staying in the trenches and faithfully fulfilling the rallying cry of "They will not pass!" For his part, Commander Campbell told them how proud the people of southern Zelaya were of them. "You are our heroes," he said to them, "because you represent the Atlantic coast in the defense of our homeland." [Text] [Managua BARRICADA in Spanish 17 Apr 83 p 10] 8743

CSO: 3248/750

## PAPER CHARTS ELECTORAL SHIFT FROM LABOUR PARTY TO PAM

Basseterre THE DEMOCRAT in English 16 Apr 83 p 11

[Text] The misleaders of the defeated Labour Opposition Party have started to run scared after only three (3) years of solid achievement by the PAM/NRP Government of Prime Minister Designate, the Honourable Dr Kennedy Simmonds. In the Labour Latrine of 9th April 1983, Jackass Bryant, Labour's principal propagandist, attempted as usual, to fool the people of this country. In his latest ejaculations, the stupid fellow expected Kittitians to believe his lies, that there is concern by the leaders of the People's Action Movement (PAM) over the seats held by PAM in St Kitts.

Bryant published the 1980 Election Results to energise his misleading story, but all he proved was that he still believes that Kittitians will accept what he says on face value. One would have thought that the sound trouncing Bryant received at the polls in 1980 would have made him understand that Kittitians have awakened from their sleep and now know Fitzroy Bryant for what he is. It is misleading for Bryant or anyone else to use the 1980 Election figures by themselves, as a basis to analyse what happened. He should have used other figures to make comparisons if he wanted to speak frankly.

Let us expose Bryant's deceit by comparing the 1980 election results with that of the previous election in 1975.

1975 and 1980 Elections

Constituency	1975 Elections		1980 Elections		Additional PAM votes in 1980	% Increase for PAM
	PAM	Labour	PAM	Labour		
#1	519	770	871	796	352	67%
#2	769	1292	1365	1280	596	77%
#3	222	945	393	866	171	77%
#4	486	807	736	822	250	51%
#5	293	940	386	1020	93	32%
#6	171	1105	238	1244	67	39%
#7	420	1039	1001	886	581	138%

Whereas PAM gained an additional 2,110 votes in 1989, Labour was only able to attract 16 additional votes.

The results of 1975 show that the Labour Party won all seven seats in St Kitts and Bryant himself won by some 619 votes. But in 1980 there was a significant swing away from #1, East Basseterre, Labour won by 251 votes in 1975 but lost by 75 in 1980. A swing to PAM of 12%. Constituency #2, Central Basseterre, saw Labour winning by 524 votes in 1975 but losing by 85 votes in 1980. A swing to PAM of 15%. In Constituency #7 which the Jackass won three times and by a margin of 619 votes in 1975, Bryant lost by 115 votes. A massive swing to PAM of 25%. What those three results have shown is a dramatic shift away from Labour to PAM in less than five years. The swing to PAM in that period is a whooping 17%. That's a landslide victory for PAM in any language.

But according to Bryant's Frankly Speaking column in last Saturday's Labour Latrine, those three PAM seats are marginal seats. What marginal seats for PAM is Bryant talking about? In Constituency #3, West Basseterre, although Labour retained that seat, Labour had a reduced majority. There was a swing to PAM there, of 12%. In Constituency #4, Sandy Point East, Labour won by 321 votes in 1975 but Labour's winning margin was reduced to a mere 86 in 1980. A swing to PAM of 10%. The Labour candidate for this constituency was Premier of the country at the time. Then his unsuitability as a leader was not as obvious as it is today and the infamous photograph was not published. All indications are that Labour's 1980 candidate for Constituency #4 cannot hold on to that seat in 1985 if he should contest it again.

Bryant also claimed that Constituency #7, his old constituency, is a marginal seat. This proves that he still believes he can pull wool over the eyes of Kittitians with lies and half-truths. What Bryant should have said but didn't say, was that he is the one most responsible for where Labour is today. He also has the distinction of being the first incumbent Minister in this country to have lost his seat. Bryant went from winning by 619 votes in one election to losing by 115 in the next election. By so doing, he brought down the Labour Government which was in power for 28 years and plunged the Labour Movement into its lowest low and deepest depth of degradation.

The Labour Party in general, and Fitzroy Bryant in particular, were soundly trounced in 1980 and come 1985, Labour will be beaten even more severely. For Labour has no policy or programme to present to the people of this country. The Labour Movement is slowly fading away and their record of failures since 1980 is more than enough to make them recognise what is in store for them when the next election comes in 1985.

God help us if the Labour Party under its present leadership gets back into power in this country.

CSO: 3298/572

ASSEMBLY PASSES BANKING BILL, COMMONWEALTH RESOLUTION

Basseterre THE DEMOCRAT in English 16 Apr 83 p 1

[Text] At a meeting of the House of Assembly on Thursday of this week, the following Bills introduced by the Minister of Finance and Nevis Affairs, the Honourable Simeon Daniel, were passed:

- ° The Development Bank of St Kitts and Nevis Amendment Act 1983
- ° The Loans Caribbean Development Bank Amendment Act 1983
- ° The Fees Miscellaneous Amendment Act 1983

The purpose of these Amendments was to enable the Development Bank of St Kitts-Nevis to be in a better position to deal with International Organisations in general and the Caribbean Development Bank (CDB) in particular. The Minister of Finance also introduced a Bill to implement the increases in Liquor Licence, fines for smuggling and dangerous drugs and other increases as was stated in his 1983 Budget Address on March 21st.

In addition, the House of Assembly passed a Resolution, introduced by the Honourable Premier Dr Kennedy Simmonds concerning the membership of St Kitts-Nevis in the Commonwealth of Nations.

The Resolution reads:

"Whereas it is the declared policy of the Government of the State of St Christopher and Nevis that St Christopher and Nevis apply for membership of the Commonwealth of Nations on Independence, And whereas Her Majesty's Government has agreed that St Christopher and Nevis attain Independence not later than the 19th day of September 1983, now therefore be it resolved by the House of Assembly, that St Christopher and Nevis shall apply to become a member of the Commonwealth on Independence. And be it further resolved that the House of Assembly hereby request Her Majesty's Government to notify the Commonwealth Secretary General of the application of St Christopher and Nevis for membership of the Commonwealth, requesting him to seek the concurrence of all Commonwealth Governments thereto."

In tabling the motion, the Honourable Premier pointed out that the Commonwealth is one of the strongest and most outstanding of voluntary International groupings adding that it is an association of States which were formerly associated with Britain in the British Empire.

The membership of the Commonwealth of Nations now numbers 43 sovereign countries. Secretary General is Sir Shridath "Sonny" Ramphal, a Guyanese.

CSO: 3298/572

GOVERNMENT APPOINTS 9-MEMBER BROADCAST ADVISORY COMMITTEE

Basseterre THE DEMOCRAT in English 23 Apr 83 p 1

[Text] The Ministry of Home Affairs has set up a Broadcasting Committee (BAC). The nine member body is the successor to a similar Committee appointed in the 1970's which functioned for about two years.

The new Broadcasting Advisory Committee is chaired by Mr Ivan Buchanar and it includes Mr Terence Byron, Mr Jean Howell, Mrs Patricia Hobson, Mr Ricky Skerritt, Mrs Dora Stevens, Mr Royden Benjamin, Mr Michael Morton and General Manager of ZIZ Radio & TV Mr Goldwyn Caines.

The principal objective of the new Board will be to provide a medium for discussion of ways and means in which a consistently high level of quality broadcasting can be determined, on the show case of our emergent nation, the ZIZ Television and Radio Unit.

Programme content and presentation in general and the need to cater in a balanced manner to the demands of a multi-faceted viewing and listening public in particular, will receive the special attention of the Committee.

Board members will also come up against the perennial considerations of achieving and maintaining an adequate standard of personnel recruitment, job satisfaction and training, as well as sufficiency of technical plant and equipment within the constraints of a small island budget.

The Committee has expressed its receptiveness to the constructive recommendations of the general public.

CSO: 3298/572

## REVIEW OF PROGRESS IN POST-1980 RECOVERY OF AGRICULTURE

Castries THE WEEKEND VOICE in English 16 Apr 83 p 5

[Text]

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**(First in a two-part series on St. Lucia's  
Agriculture)**

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**THERE** are encouraging signs in St. Lucia's vital agricultural industry, laid to waste by Hurricane Allen less than three years ago.

**At the moment, production of the three principal export crops: bananas, coconuts and cocoa is on the increase. A tree crop expansion has ended its first phase with the planting of 220 acres of mangoes, avocados and grapefruit, all with export potential.**

A recently approved grant of \$21.5 million for that sector by the United States Agency for International Development (USAID) under the Caribbean Basin Initiative is the biggest single injection ever into St. Lucia's agricultural sector. It will finance a project that is expected to touch some of the most vital and problem areas of the island's agriculture including land reform, marketing and the supply of inputs.

Despite the reverses of the recent past — caused by natural disasters and increasing costs of production — coupled with the emphasis on the development of tourism and industry, Government officials here insist that agriculture will remain the cornerstone of St. Lucia's economic development for some considerable time in the future.

Agriculture is St. Lucia's traditional industry employing a third of the workforce and accounting for nearly 40 per cent of the island's gross domestic product.

With the boom in tourism and the construction industries in the early 1970's, agriculture suffered significantly and in fact there was a decline in real incomes from that sector. This was further aggravated by a continuous series of drought years which lasted for the greater part of the last decade.

The final straw came in August 1980 when Hurricane Allen wiped out years of toil and sweat of the the St Lucian farmer. At that time, agriculture accounted for 60 percent of St Lucia's total exports. Overnight, the country came face to face with something of a nightmare with little to export and earn in foreign exchange. This situation has contributed greatly to the poor health of the country's economy in the last three years.

Allen's mighty winds completely destroyed the banana industry and for the next seven months no exports were possible. An estimated 50 percent of the cocoa trees were brought down and a Government-appointed agricultural coordinating committee reported that all coconut trees on the island were affected by the storm.

The Committee estimated that up to the end of 1983, losses in the agricultural sector as a direct result of Allen's wrath would be in the vicinity of \$47.6 million.

But the post-hurricane rehabilitation effort, although hampered in the initial stages by the unavailability of inputs, has worked almost miraculously thanks mainly to the determination of the island's farmers who took up the challenge.

The results tell the rest of the story: St. Lucia resumed exporting its bananas two months ahead of schedule and went on in one week last month to produce 1,417 tons of fruit for the British market, the highest single shipment for nine years and a thumping 40 percent above average.

Coconut production, which before Allen was in the region of 6,500 tons annually, totalled 2,400 tons in 1981 but shot up to 3,200 tons last year. So too with cocoa production which is expected to yield 50 tons this year compared with a mere 15.09 tons last year. Before the hurricane, cocoa production averaged 100 tons annually.

But even in this small sector the news is encouraging. St. Lucia has just struck a deal with a United States company, World's Finest Flavours Inc. of Chicago for the purchase of all its cocoa crops over the next five years. What's more, farmers here will receive EC\$3 per pound as against EC\$1.92 which they were paid last year.

A British-funded tree crop programme is intended to remove the heavy dependence on bananas. Mangoes, avocados and grapefruit are now being grown extensively here with both the CARICOM and European markets in mind.

According to agriculturists Cuthbert Henry, the programme manager, a trial shipment of mangoes to Barbados has brought favourable response. The fruits also had a lot of appeal on the continent, Henry said.

But the agriculture recovery story is not all rosy. The main concern at the moment is the declining returns accruing to the island from its banana trade with Britain. Ironically at a time when production is on the increase — as are production costs — the declining value of the pound sterling means that farmers are not being adequately compensated for their efforts.

Said local banana growers association general manager Ivan Sure: "Somehow, we have to get the price up for the grower. Statistically, we have had a very good response (to the call for increased production). The market for the fruit in the United Kingdom is very strong and we are making a lot of money in the industry in sterling, but unfortunately, the exchange rate is volatile."

In this connection, Prime Minister John Compton has recently publicly showed signs of disappointment that his suggestion for a meeting between the British and Windward Islands Governments to iron out a survival plan for the industry in the light of the depreciation of sterling, has so far not met with the expected prompt response.

With such plans, Government officials hope that the agricultural sector will re-attain its position of pre-eminence in St Lucia's economy. But there have been problems. Some of these: inadequate marketing, unavailability of inputs, inadequate extension services, credit facilities and infrastructure, are however, well covered in the new U.S.-financed EC\$21.5 million project just approved.

This project includes the replanting of 2,000 acres of bananas and the provision of inputs for the industry. St Lucian growers will also qualify for assistance under an EC\$8.4 million input revolving fund for the Windward Islands industry to be financed by the CDB.

Compton made the suggestion last month in a letter to the British High Commissioner based in Barbados.

Meantime, however, St. Lucia and the other Windward Islands — who also export bananas to Britain — have been doing their bit to ensure that banana growers get a better deal. Their agent has been Geest Industries, the marketers. As a result of recent discussions in Grenada between officials of WINBAN (an association which groups the four islands) and Geest, growers are now receiving four cents per pound more for their fruit, but the 16 cents is still not enough to cover their production costs.

Simultaneously, there are moves afoot to seek a review of the present contractual arrangements between WINBAN and Geest to put more money into the pockets of growers.

According to current projections, St. Lucia could produce nearly 60,000 tons of fruit this year which is its quota on the British Market. Last year's exports totalled 43,000 tons.

Ministry of Agriculture sources says that the Government's agricultural policy is one geared to reflect the priority attention that must be given to it as the major productive sector of the country's economy.

A spokesman said: "The Government recognises that in the process of economic recovery, agriculture will have to be the major stimulant. Therefore, in order to act as a catalyst, the necessary resources will be channelled into this area of the economy."

In this ongoing effort to put St. Lucia's agriculture back on its feet, the British Government is extending considerable assistance to St. Lucia for banana, coconut and tree crop programmes.

A long-term coconut rehabilitation programme is underway to restore production to pre-hurricane levels. The same applies to cocoa with a production target of 300 tons set for 1990. In 1963, production reached its highest peak of 263 tons.

Elsewhere, other programmes are underway to stimulate agricultural production. One of the biggest recently launched is an EC\$18 million venture involving the European Economic Community, Geest, the Commonwealth Development Corporation (CDC) and the St. Lucia Government, through its National Development Corporation (NDC).

It involves the cultivation of 1,600 acres of land in the Roseau Valley with tropical fruits and out-of-season vegetables for export to Europe. The land has been divided into model agricultural holdings for use by 175 small farmers.

A second project which is being run along different lines is on a large estate in the eastern part of the island. According to the Ministry of Agriculture here, this project has experienced a wide range of problems, but with the injection of the necessary capital by the Caribbean Development Bank (CDB) and the Caribbean Food Corporation (CFC), these should be overcome.



An EC\$15 million International Fund for Agricultural Development-CDB grant to St Lucia for a rural service centres project to be implemented this year contains a marketing component which will supplement existing services as well as those proposed in the US-financed programme.

The outlook for St Lucia's agriculture is indeed very bright. There were times in the past when this sector alone held St Lucia's economy together, creating jobs while bringing in valuable foreign exchange. The success of current plans could well produce a second-time-around boom in an industry that touches the lives of the overwhelming majority of St Lucians in one way or another. (G.E.)

CSO: 3298/579

PAPER ASSESSES MOVE TOWARD LABOUR PARTY REUNIFICATION

Castries THE WEEKEND VOICE in English 23 Apr 83 p 2

[Editorial]

[Text]

**THE news that talks are taking place towards the reunification of the St. Lucia Labour Party is encouraging. One wonders why it took the rival factions so long to come to their senses. The SLP is the oldest of the political parties in St. Lucia. Since 1951 it has seen others come and go, mainly by way of merging. The fact that both the other political parties in St. Lucia today emerged out of the SLP in one form or another tells the story of the durability of the SLP.**

**It is against this background that few could understand the reasoning behind the new split and all its acrimonious mudslinging which emerged, after the party's defeat in the general elections 11 months ago.**

**In fact, the SLP came out of the elections better than many expected, and it fielded candidates many of whom, while not making any great impression on the electorate in the ballot box, were seen as definite prospects for the future.**

**Had the party moved towards consolidation in the aftermath of its troubles while in the seat of Government from 1979 up to its forced resignation in January 1982, perhaps today it would have been on the road to meaningful recovery.**

**But even the current plans for its return and reunification seem seeped in the same tired rhetoric and ill-conceived posturings that has done it damage in the recent past.**

**A joint announcement purported to have been made by the two SLP factions last week indicates that the reunification "and reorganisation" had been prompted "in view of the callous disregard of the ruling regime for a meaningful distribution of the resources of this country and also in view of the numerous unfulfilled election promises."**

**The release said it was the intention of the SLP to seek a mandate "from all workers to form a broad coalition of all forces and trade unions opposed to the Government with a view to toppling it through established machinery and establishing a true People's Government in St. Lucia."**

For one, the SLP ought to be wary of slogans like "People's Government." In 1979, it promised a "Worker's Government" whose record of accomplishments is now history.

For another, the SLP ought to bide its time. The slightest miscalculation on its part in its desire to topple could really settle its hash once and for all.

And talking about "unfulfilled promises" of a Government not a year old, and elected to office after the chaos and destruction that was heaped on St. Lucia in three short years of SLP rule is too much.

In saying all this, however, one cannot forget that it is only recently that the people of this country toppled a Government they felt was not functioning, in every sense of the word, a Government that had wasted its mandate while it quarrelled among itself and ruined the country in the process. We have not doubt that should another such Government ever appear on the scene, it will suffer the same fate.

No, the SLP has started on the wrong foot. It is regrettable that it had to be rebuffed by some of the trade unions over its public invitation to them to attend its May Day celebrations. That too, was badly handled. The SLP's first task ought to be re-unification, and then re-establishing its image and credibility while rebuilding its membership.

Frankly, for some unknown reason, the forces that are opposed to the UWP seem to be embarking on a course of premature agitation that could only lead to self-destruction.

CSO: 3298/579

## POLICE COMMISSIONER EXHORTS FORCE TO OBEY LAW, SERVE PUBLIC

Castries THE WEEKEND VOICE in English 23 Apr 83 p 1

[Text]

**COMMISSIONER of Police, Mr Cuthbert Phillips** has told members of the Royal St. Lucia Police Force that they will face the Courts if they are caught engaging in criminal activity.

Mr Phillips made the warning on Columbus Square on Wednesday afternoon during a Commissioner of Police parade highlighted by the promotion of 23 policemen.

One of the policemen, Sergeant Joseph Previle skipped one rung of the promotion ladder and was appointed an Acting Inspector.

The other promotions went to: Station Sergeants Ivan Stoutt and Joseph Edwin who are now Inspectors; Station Sergeants Kim Lous and Peter Cherry (to Acting Inspector);

Sergeants John Cherry, Marie Wilfred, Collins Alcee, Stephen Francis and James William (to Station Sergeant); Corporals Matthew Christopher, Antoine Josephat, Griselda Branford, Fitzroy Adolph, Hilton Henry and Oswald Hill (to Sergeant); and Constables Primus Phillip, Alexander Blanchard, Gregory Emmanuel,

Anthony Lubin, Plus Eugene, Daniel Louison and Alphonso Francis (to Corporal).

Commissioner Phillips said he was having the ceremony in public because it was the public who the policemen served. He declared: "You are their servants. They are the ones paying

you and you have to give them the service."

Mr Phillips said that some policemen were giving the public a raw deal adding: "We are not serving them as we should. Some of them are not satisfied and they have all the right in the world to object."

He said that some policemen tended to withdraw their assistance when members of the public objected, but he said this was not his policy. "If you do not want to serve the public then you should not be a member of the Royal St. Lucia Police

Force. If you are not prepared to serve, then there is no reason why you should be promoted even if you have been in the Force for 19 years or more."

Mr Phillips told the policemen that the days when members were promoted depending on their length of service were no more. Promotions would be on merit, he said, adding that "even if the badge of rank is placed on your shoulder this afternoon, it could well be down tomorrow morning," provided that those who held rank were prepared to give

the public the service they deserved.

Mr Phillips spoke on the question of discipline and told his subordinates that as Commissioner he was not prepared to compromise on that score.

He said there were matters in the Force which would be heard departmentally, if this was necessary. And he warned: "But if it is a criminal matter, there is no way it will be heard in there. The Courts will hear it."

He urged them to "serve the public and give your best at all times."

CSO: 3298/579

CHAMBERS, ROBINSON MEET TO DISCUSS ISSUE OF TOBAGO

Port-of-Spain TRINIDAD GUARDIAN in English 28 Apr 83 p 1

[Article by Norris Solomon]

[Text] Prime Minister George Chambers and Chairman of the Tobago House of Assembly Mr A.N.R. Robinson, are to meet in Tobago for continuing discussions on a date to be agreed upon.

This was decided yesterday when they both met for discussions at the Government offices, Riverside Plaza, on issues raised by the Assembly relating to the operations of the Assembly and relations between Central Government and the Assembly.

Mr Chambers was accompanied by five Ministers including two of his Deputy Political Leaders, while Mr Robinson had with him three members of the House of Assembly, the two Parliamentary Representatives for Tobago and the Legal Adviser to the House of Assembly.

Following the all-day meeting yesterday, Rep Errol Mahabir Minister of Labour, Social Security and Co-operatives issued a release through the Government Information Service which stated: "The teams discussed matters aimed at improving the present administrative arrangements in Tobago and eliminating problems identified by the Tobago House of Assembly.

"The discussions were frank but cordial and a number of steps have been identified for immediate action."

The next meeting will be held in Tobago, it was stated, on a date to be mutually agreed.

Contacted after the meeting, Mr Robinson explained that the release issued by the Minister was a joint statement from the two groups.

Yesterday's meeting began at 9.30 a.m. and was held in private on the 15th floor of the Riverside Plaza in the Conference Room of the Ministry of Industry and Commerce.

The officials took a short break for lunch which they had in the building itself and then continued discussions until shortly after 4.00 p.m.

The meeting followed communication between Prime Minister Chambers and Mr Robinson after Mr Robinson had sent a copy of a resolution passed by the Assembly calling for the House to take "all proper and necessary steps to terminate the present unjust union of Trinidad and Tobago and to secure its replacement with a union based on acceptable conditions or full independence of Tobago."

In that letter, Mr Robinson stated that the primary desire of the Assembly was to obtain a just settlement within the Union of Trinidad and Tobago and only if it proved impossible "we will consider ourselves forced regretfully to pursue the alternative of the independence of Tobago."

Following that, Mr Chambers replied that he did not regard its electoral mandate as authorising him to terminate the union of Trinidad and Tobago.

Mr Chambers and Mr Robinson later met and a copy of the report of the Tobago House of Assembly was also presented to Mr Chambers.

Following their last meeting on April 20 it was agreed that Mr Chambers would meet a delegation of the Assembly to hold the discussions.

That meeting was held yesterday and it was agreed that the next meeting will take place in Tobago.

CSO: 3298/580

CENTRAL BANK HEAD DISCUSSES OIL, HEALTH OF ECONOMY

Remarks on Investment, Recovery

Port-of-Spain TRINIDAD GUARDIAN in English 30 Apr 83 p 1

[Text] Trinidad and Tobago will lose more than \$400 million but less than \$1 million in oil revenues this year because of the drop in oil prices.

This was stated by Dr Euric Bobb, deputy governor of the Central Bank, in answer to a question from Dr Krishna Persad, secretary of the Geological Society of Trinidad and Tobago, at an all-day seminar the society held at the Trinidad Hilton yesterday.

According to Dr Bobb, the figure was not the \$650 million allegedly quoted in the Press but closer to his calculations.

At the time the deputy governor of the Central Bank was answering questions from participants following an address he had made on the oil industry's impact on the local economy.

In one of his replies to a query from a participant who wanted to know if he would describe this country as being in a recession in 1983, Dr Bobb said he was against the use of the word recession because of its "technical connotation."

"We will have lower real growth than in 1982 when it was 3.9 percent," said Dr Bobb, adding that in a recession there would be an "absolute fall."

Dr Bobb also defended the Iron and Steel Company of Trinidad and Tobago (ISCOTT) in a reply to a question from Republic Bank manager Adrian Bird, stating that the company has a sensitive product to sell and were the world economy to pick up over the next few years ISCOTT would be in a favourable position.

According to Dr Bobb, "if you invest at the top of a boom (in the economy) you're bound to be a loser. But if you invest at the bottom, you will be a winner."

He told the audience that in a government investment, if the investors were those other than government, no one would be looking for an immediate return.



Questioned further by Darcus Howe, former editor of the London publication "Race Today" and now a member of the Oilfields Workers Trade Union (OWTU), on what solutions he had for the economic recovery of the country, Dr Bobb said he was deliberately vague in identifying what areas could be developed.

He said it was time for the country to "escape from dependence on staples and get away from the latter day plantation syndrome."

He also added that it was not just for government to provide the incentives but for the individual entrepreneurs and investors to pick the winners (investments).

According to Dr Bobb a small country must earn foreign exchange and the only way to do this was through exports.

He suggested that the country would have to look for wider markets and capture other people's markets if the current standard of living of imported goods and vacation travel are to be sustained since these involved the use of foreign exchange.

#### Savings Carry-Over from Oil Boom

Port-of-Spain TRINIDAD GUARDIAN in English 2 May 83 p 4

[Text]

**THE SAVINGS**  
accumulated during  
Trinidad and Tobago's boom  
years allowed the country to  
continue living in 1982 as  
though oil earnings had not  
declined.

So said Dr. Euric Bobb, deputy governor of the Central Bank, as he addressed participants of an all day seminar held at the Trinidad Hilton last week, by the Geological Society of Trinidad and Tobago. In his address on the oil industry's impact on the local economy, Dr. Bobb dealt with the topic in three parts, first giving a synopsis of the oil boom years from 1974-1981, then reviewing last year and finally making a forecast for 1983.

In his review the country's last year's economic performance, Dr. Bobb said the expansion of expenditure and the consequential large fiscal deficit permitted the economy to record a modest real growth in 1982 despite the deepening recession worldwide.

"Economic growth and hence domestic income and demand were fairly buoyant despite falling export earnings, the economy experienced a deficit in its transactions with the rest of the world, that is a balance of payments deficit, the first such deficit in nine years," said the central bank's deputy governor.

He said the country's savings allowed it to continue its standard of living as "the government financed its deficit by withdrawing \$2,941 million from its past savings and the country covered the shortfall in its foreign exchange requirement by drawing down \$525 million from its accumulated stock of foreign exchange reserves."

Dr. Bobb pointed out that during the year there was some controversy as to whether or not the

"Obviously, the economy recorded a 3.9 per cent growth in real gross domestic products, (GDP) finances a budget deficit equivalent

to 18.5 per cent of its GDP without creating a foreign exchange crisis and where the number of people employed rises by about three per cent is not in recession," he said.

"The year 1982 was a period of transition which was possible only because the fiscal savings accumulated in the boom years were available for injection into the economy," added Dr. Bobb.

#### **PAST SAVINGS**

In his forecast of 1983, Dr. Bobb noted that the strategy underlying the 1983 Budget envisaged the continuation of the stabilisation process experienced in 1982.

However owing to the heavy draw-down of past savings last year, the fall in officially quoted oil prices in the first quarter of the year and the unsettled condition of the major international financial markets, it is not realistic to expect similar success in stabilising the domestic economy or the balance of payments as occurred in 1982, said Dr. Bobb.

According to the economist, the fall in price of crude oil by almost US \$5 per barrel and the decline in crude oil production and refinery throughput locally have several implications for the economy.

CSO: 3298/594

OPPOSITION GROUPS EYE UNIFIED ACTION TO UNSEAT PNM

Alliance-ONR Cooperation

Port-of-Spain TRINIDAD GUARDIAN in English 30 Apr 83 p 3

[Text]

THE QUESTION of "accommodation" between the parliamentary Opposition National Alliance and the Organisation for National Reconstruction (ONR) for the upcoming Local Government elections is expected to be settled at the Cola Rienzi Complex today when Opposition Leader Basdeo Panday and Mr. Karl Hudson-Phillips, Political Leader of the ONR, are expected to meet.

Reliable sources said yesterday the Alliance would contest seats in Caroni and the ONR, would tackle those in the borough and municipalities.

Analysis of Opposition Efforts

Port-of-Spain SUNDAY GUARDIAN in English 1 May 83 p 8

[Article by George Harvey]

[Text]

WHAT symbolises Opposition Leader Basdeo Panday with Tobago House of Assembly Chairman A.N.R. Robinson? Plenty. They have a lot in common. Both are lawyers. Both lead non-governing sectoral parties which do not have widely spread national support.

Robinson heads the Democratic Action Congress (DAC) which has turned out to be a noted Tobago course specialist. It just cannot make on any other track. Panday is king-pin of the sugar belt-based United Labour Front (ULF) which is finding voter support steadily turning sour on its home turf.

Yet the common bond that entwines the two politicians comes from another politically-related quarter. It is their burning, crusade-like passion to topple the forever and ever ruling People's National Movement (PNM) from political power.

Robinson has been chipping away the foundations of the PNM, his DAC consecutively winning the two Tobago parliamentary seats and also scoring at the polls to now control Tobago House of Assembly.

Panday and the ULF have been running a steady downhill course since picking up 12 "sugar seats" in its entry to general elections in 1976.

Both leaders have no hope or even the desire of facing up the elections-gearred PNM giant in man-to-man combat alone. That was why the DAC and the ULF were the main props in a loose (still ongoing) Alliance that contested the 1981 general elections. Results of that encounter is now history with the PNM scoring its biggest ever victory, grabbing 26 of the 36 seats. Almost a no-contest on a national scale.

## WET FEET

But more of that later. I now turn to another inference to the much-touted and sought-after opposition unity.

What symbolises Karl Hudson-Phillips with Robinson and Panday? Again I say a lot. Plenty in common.

Karl is political leader of the still-infant Organisation for National Reconstruction (ONR) which got its feet wet, nose blooded and pride punctured in the 1981 general elections. Not a damn seat.

Karl also shares the same passion with Panday and Robinson — that the inefficient and corrupt PNM "must go... must go... must go."

Almost forgot — Karl is a lawyer too. There is even greater commonality between Karl and Panday. They were both PNM stalwarts. Robinson a former deputy political leader under the wings of the late Dr. Eric Williams. Karl the post of Attorney General in the Williams regime.

It obviously irks their collective hearts to see their once beloved PNM in whom they were well pleased grow into a political monster.

This view is through the eyes of the opposition. It is tough and almost impossible to evoke that monster feeling in the souls of PNM fanatics and die-hard supporters who still "like it so."

Some political observers see real opposition unity and togetherness as the only way to rid the nation of PNM rule.

So this theory was

given a lift last month when the trio of Karl, Panday and ANR shared a common DAC public platform in Tobago.

## CLASHES

It seemed natural that the first major unity salvo involving the ONR would have been fired at the upcoming local government elections. One for all — all for one — by not opposing each other.

Since then "delicate talks" have been held between ONR and Alliance officials seeking some sort of accommodation for the elections. Part of the togetherness strategy takes in suggestions of non-attack on each other to focus on the PNM as the common enemy.

The groups have been also trying to work out the placing of candidates to avoid head-on clashes between strong ONR and Alliance candidates. An ONR official pointed out, "We have reached a preliminary stage in the talks — but we will definitely not become part of the Alliance."

The ONR has sound reason to be stand-offish in arriving at a formal link with the Alliance. Though not winning a single seat in the 1981 run off, the party got in excess of 5,000 votes more than the Alliance trio.

The ONR was supported reasonably well by the electorate, even making inroads into ULF territory. It did not contest Tobago.

A breakdown of the voting showed:

PNM — 26 seats with 218,517 votes, representing 52.6 per cent of the voter turn-out.

ULF — 10 seats with 62,861 votes (15.4 per cent).

ANR — no seats with 91,704 votes (22 per cent).

Tapia no seat with 9,401 votes (2.2 per cent).

So the ONR can be a bit choosy in its links, based on its showing in its first ever electoral contest. The upcoming local government elections will be a real testing time for the ONR to find out whether the 1981 votes were real or just a passing fancy.

The elections will also be a moment of truth for the ULF which was wiped out by the PNM in the 1980 polls. PNM swept the board winning 101 of the 113 seats and taking control of all the municipalities.

Crucial question in an alliance or party or parties is that of leadership. Let's say there was a successful get-together of main opposing forces that removed the PNM from office on the national level. Who will be Prime Minister among so many leaders? Panday? Karl? Robinson?

Well Robinson has already seen the light and prefers to play on the Tobago scene. No longer venturing out of his crease to contest general elections. A pity though in these troubled times when sanity is becoming a rare and vanishing commodity in the House of Representatives.

Tapia provides a good example of a man who has no intellectual value.

In the existing Alliance the party can turn out volumes of papers and projections — but fails constantly to turn on or turn out the voters.

## ODD MAN

Tapia leader, economist Lloyd Best, was the odd man out in the Opposition leadership camp. Best always considered himself best — not second best. He has since fled the scene for the safety of the wilds of Africa under United Nations sponsorship rather than face dubious unity at home.

Well maybe national opposition unity or disunity has to do with the old and revered local saying: "Two man rats cannot live in one home." Not even to fight Man Crab PNM. Tapia more our crabs — Karl Panday ANR and the departed Best.

In any case, can a tenuous unity survive meaningfully on a love-hate relationship? Love of power... hate for the PNM. A member at the opposition camp quipped: "You can only know when you arrive there."

So Panday lives on to fight the Alliance cause, which is really a ULF cause, in the local government elections. No challenge for Robinson and the DAC in Tobago this time around since House of Assembly elections are not due till next year.

Did somebody ask "What about the National Joint Action Committee (NJAC)?"

I can only reply in like manner: So what about NJAC?

## CHAMBERS DRAWS CRITICISM FOR LEADERSHIP STYLE

## Comparison to Williams

Port-of-Spain SUNDAY GUARDIAN in English 1 May 83 p 3

[Text]

ARE we beginning to see the creation of a diluted Eric Williams? Or the spectacle of a desperate effort at reincarnation?

These and related questions have been prompted by the recent remarks made by our Prime Minister, Mr. George Chambers. He declared that he intends to stay in his crease and that no bloody person is going to make him speak out until he is good and ready.

To take the cricketing analogy first, the Prime Minister, like everyone else, knows that in the game of life as well as in cricket, staying in one's crease for lengthy periods produces dullness and boredom.

One of the reasons for the popularity of Viv Richards is that he knows when to dance down the wicket and blaze the bowling. When to chip forward and sneak a shot through the slips. He even has the uncanny knack of staying in his crease and scoring magnificent strokes. But whether it is Richards or Sobers, the measure of public response and acceptance is in direct proportion to the action and achievement of the batsmen. Were they to do otherwise, their careers and the game would both suffer.

There is not much difference at the political level, except that much more is at stake.

Prime Ministerial status calls for wisdom, dynamism, foresight, integrity and many other factors adding up to leadership. It is a unified concept and practice which suffers when it is dismembered, or when the individual parts are abused, ignored or excised. Integrity, wisdom and courage are the three points of the triangle of timely expression in guiding and leading a nation. Lengthy and unnecessary silence, far from bespeaking wisdom and integrity, does the exact opposite, and the two qualities are further smudged by suspicions of a lack of courage. One does not want to say cowardice.

No one can write off the importance of precedent, or of prototypes. There is much to emulate in Gandhi, and everything to follow in Christ. But to drape one's self in a robe or dhoti, or mentally to follow every last detail of someone else, is unwise largely because it defies the very capacity of life to create us all different.

## ENVY IS IGNORANCE

We can and should learn from history and from others. But we MUST be ourselves. As was once noted, "Envy is ignorance: imitation is suicide;" so that when Mr. Chambers begins to sound like the late Prime Minister in being blunt and arrogant, he is doing a profound disservice to Dr. Williams and to himself.

To say the least, the recent outbursts by the Prime Minister are confusing and contradictory. They are in no way consonant with the man who took over the reins of government two years ago with rousing and highly emotive calls for putting the wrongs right. The man who embodied meekness inheriting the land, and humbly but effectively offered to use all talent regardless of stripe, and who rallied the nation to unity, is surely not the sulking author of those petulant remarks about his crease. It actually sounded like the snappings of someone in a state of siege, or mired in seemingly hopeless worry.

The similarity to the injudicious views and attitudes of Eric Williams in his final years is unmistakeable. This context seriously harmed the image and

operations of Dr. Williams and his administration in those twilight times and it is because of this, and the ill-effect on the nation, that the population wishes to tell Mr. Chambers that his recent outburst just aren't him. This column takes the opportunity to urge the Prime Minister to be himself, and not a pale reflection of Dr. Williams who was also characterised by his disdain for the opposition.

So said, so done! As if pre-programmed, Mr. Chambers also went on at the "crease" excoriations, to say that he turns a deaf ear to the Opposition whenever it attempts to make a contribution in Parliament. Now, can there be any doubt about the extent to which our Prime Minister is seeking to make himself over into the image and likeness of Dr. Williams?

The Opposition may not be always worthy of the tasks set before it, but it must nonetheless be accepted and respected in Parliament. The Opposition members did not get there by accident. They were voted into place by thousands of loyal Trinidadians and Tobagonians so that to heap scorn on the heads of the Opposition is to insult thousands of citizens, and the institution of Parliament. And to imitate the arrogance and anger of the late Prime Minister, for the very pillars of democracy his party espoused.

There is the final point of speaking out on matters of moment. Mr. Chambers emphasised that no bloody person will get him to speak before he's ready. Unfortunately, life is never as simple as that.

Speeches must be understood in the importance of the time when they are made. Mr. Chambers immortalised the tide in the affairs of men which needs to be taken at the full in order to get the best results. To miss the tide is to lose an opportunity.

Likewise, when national issues come to a head, they must be dealt with, not avoided. Chamberlain turned his back on the Nazis and the issue became a global disaster. There are many other examples of issues that festered and erupted as a result of wilful or benign neglect; so that when serious matters like corruption, mismanagement, declining incomes and future uncertainty impact on a society, it is the duty of the good leader, the effective manager, to act and to make his position known. As such, the Prime Minister CAN'T choose to speak out at

his own sweet time, but to speak out so often as required, to solve problems and provide leadership and direction.

### UNFORTUNATE EXAMPLE

It is a natural corollary to wonder how many people in this country are being misled by the unfortunate example of Mr. Chambers, and who are postponing decisions because they are committed by example, to a policy of do-nothingness. Certainly Cabinet Minister Mr. Errol Mahabir has been affected, for while he did not reinforce a policy of silence, he followed the Chambers dictum of not speaking.

Commenting recently, Mr. Mahabir declared that he has always had the highest regard for the OWTU, and that

recourse to Parliament will show that I have stated in Parliament and, indeed, I have stated publicly in my election speeches, that the OWTU can claim the major credit for the extent to which there is national ownership of the oil industry in Trinidad and Tobago today."

We find this a most startling disclosure, largely because we always felt that moves into the oil industry by the Government represented a carefully thought-out, deep policy by the Government. We had no idea that Cabinet and the Government were acting under instructions from the OWTU. We "congratulate" Mr. George Weekes on his elevation to Cabinet member or Cabinet adviser and we chide Mrs. Muriel Green, the public relations person for the government, for not telling us of Mr. Weekes's honours.

More seriously, the choice of the OWTU by Mr. Mahabir as an exemplary organisation is most regrettable. It is the OWTU that has created very many serious problems for the country, such as dispute resulting in no electricity. The union has painted an ugly portrait in the country's history, of an overly aggressive, spiteful body, not above employing abuse and villification, and which applauds and seeks to make into heroes those who would defy the courts and the laws.

Surely Mr. Mahabir can find more deserving unions to champion. Or is he, as we suspect, anxious to curry favour, and to sacrifice rectitude for political expediency? Is this yet another blow at integrity of action?

Port-of-Spain SUNDAY GUARDIAN in English 1 May 83 p 6

[Text]

MR. CHAMBERS, the Prime Minister, must by now be regretting the hasty but eloquent way in which he recently retorted against criticisms of his penchant for silence and the implied condemnation of his Government for the way things are now going in the country.

Many "bouncers" have been hurled at him while he has been standing in his "crease" as he said he would and no worthwhile stroke has come from him.

Mr. Chambers was for a long time close enough to the late Prime Minister to learn that arrogance and inaction cannot produce success. The official version of the Prime Minister's final hours shows plainly that, carried to excess, arrogance becomes counter-productive and leads to fatal inertia.

As with individuals, so it may well be with the country.

The present Prime Minister's language revealed that he has not revealed to the police, as he should, evidence about thieves, that he is content to hold some information for political purposes, that he holds the Opposition in contempt, and that he holds the people in only slightly less contempt.

This, we must warn him, is not the spirit nor the letter of the game.

As he well knows, if we correctly recall the promises he made to the nation upon his elevation to the prime ministership and the appeal he made to his rivals after the 1981 general elections, asking them to come heal the breaches.

His recent remarks about shutting his ears to Opposition speakers and his peeve at people who dare him to speak out are diametrically different from such statesmanlike stance and his present course of conduct cannot therefore be excused.

This is a small country and it is impossible for anyone to believe that all the talent capable of getting it out of its present plight and setting its feet on the path to prosperity is to be found in the ruling party and nowhere else.

Plainly, the Opposition benches possess persons of ability and readiness to help and it is sorely wrong for the Prime Minister to pretend that only he and his supporters and advisers are able to or should be allowed to undertake the task.

Part of the cause of our present discontent is the foolhardy way in which the former Government, despite howls from the Opposition, prayers from independent people, and advice from many sources, went about the business of getting involved in government-to-government agreements

which have turned sour, public projects which fattened "the boys" and now are left ingloriously and expensively incomplete, and the inability of State enterprises to turn profits.

The Prime Minister's total disregard of the Opposition is now not a sign of wisdom or democratic tendencies and so has no place in our scheme of national advancement.

We are not empowered to demand that Mr. Chambers apologise to the Opposition and to the people but we are in a position to remind him that those who ignore history may very well be condemned to repeat it.

CSO: 3298/593



## DROUGHT BRINGS PREMATURE END TO SUGAR HARVEST

Port-of-Spain TRINIDAD GUARDIAN in English 4 May 83 p 1

[Article by Ed Wynn Brant]

[Text]

CARONI is to end the sugar harvest on May 23, a week earlier than expected, because of a shortfall in cane supplied to the mills.

The State-owned company has also revised its sugar target, reducing it from 102,000 tonnes to 81,000 tonnes of sugar.

Public Relations Manager of Caroni Ltd., Tony Deyal, said yesterday the prolonged drought and malicious fires shortened the harvest.

The company had planned for a supply of 1,311,000 tonnes of cane but now expects 1,030,000 tonnes or 281,000 tonnes of cane below target.

Cane yield from Caroni's fields, put at 825,000 tonnes, is down to 675,000 tonnes or 14 per cent less than expected.

At a projected yield of 81,000 tonnes of sugar this year Caroni, which holds a sugar manufacturing monopoly, faces a serious problem in filling its quota of 75,000 tonnes of raw sugar to the EEC and 19,600 tonnes to the United States.

In 1981 and 1982, Caroni declared a "force majeure" with the EEC when it was unable to fill its quota but if it does so this year, it is likely that the 75,000 tonnes-quota can be reduced substantially.

The company, too will not be able to supply the US with sugar this year. On the domestic market, consumption of wash grey is 18,000 tonnes and granulated (white) sugar is 41,000 tonnes.

Imports for the year have been a measly 5,000 tonnes and local production to date of granulated is 9,600 tonnes.

Last year Caroni lost \$300 million and had to revise its target because of heavy rains nearing the end of the crop. From a projected 126,620 tonnes of sugar the actual production was 79,965 tonnes of which 55,000

tonnes of raw sugar was shipped to the EEC. Part of the company's shortfall this year was caused by malicious fires resulting in 55,000 tonnes of cane being abandoned.

Mr. Deyal said 5,000 tonnes of sugar valued at \$6.5 million were lost in the fires.

This year was not so bad, he said, as compared to 1982 when 130,000 tonnes of cane had to be abandoned in the fields. The company's plan to reap only programmed fields has succeeded in limiting the loss due to fires, Mr. Deyal said.

On the drought this year, rainfall monitored by Caroni showed the ten-year average for the January to April period as 131mm. This year it is 43mm for the same period.

Drought during the first four months was the major reason for the shortfall in the production of cane. The dry spell limited growth

over the period and caused a major drop in the anticipated yields of fields scheduled for harvesting.

Caroni had planned to end the crop on May 28, but under the present conditions will end it by May 23 in the north and a week earlier in the south.

Because of the limited supply of cane in the north the Woodford Lodge factory remained closed for the entire season while the Reform factory at a point in the harvest was in operation when the Usine Ste Madeleine mills were experiencing serious mechanical problems; but closed as soon as the problems were solved.

At this point in the crop Caroni has produced 74,048 tonnes of sugar from 941,384 tonnes of cane at an average of 12.71 tonnes of cane to a tonne of sugar.

## TOBAGO AT ODDS WITH TRINIDAD OVER ALIENS, FUNDING ISSUE

Police Source on Immigrants

Port-of-Spain TRINIDAD GUARDIAN in English 2 May 83 p 7

[Text]

TOBAGO is not the 'backdoor' for illegal immigrants entering the country, as claimed by immigration officials in Port of Spain recently. If anything, Tobago has been getting its "outsiders" from Trinidad. This is the view of a top police source in Scarborough who was commenting on the claim by the Immigration officials.

That official had told the Press that illegal immigrants, particularly Guyanese, were arriving in Tobago or schooners and 'skipping ship'. Because there were no immigration checks in Tobago that was proving easy said the official.

## INTER-ISLAND SHIP

From Tobago, the story went on, the illegals then crossed to Trinidad either by plane or one of the inter-island ships and set up residence.

"What schooner?" asked the Tobago police source. "Schooners do not come here they all go to Trinidad."

He stated further, that in Tobago police maintain strict control of points of entry to the island.

"We have a police launch which patrols the coast," the source explained.

"And even though like in Trinidad, there are many points at which small boats can slip in and out, we are in constant receipt of information as to the movements of such boats".

The source explained that even when Tourist boats visit the island the police in Tobago are advised in advance through Customs or Immigration about such visits and are in a position to set up security check points.

"No, there is no truth in that story," said the police source.

## SMALL POPULATION

"It is the other way around. We get our illegal immigrants as well as they are, from Trinidad."

He stated whenever we catch up with these, who I stress are far and few between, we promptly arrest them and hand them over to the Immigration in Trinidad."

It was explained that because of Tobago's small population "where everyone knows everyone else", it was difficult for an illegal immigrant to stay at large in the island without his presence being detected and reported to the police.

"In Trinidad, the opposite is true," added the source.

## Row Over 'Special Fund'

Port-of-Spain TRINIDAD GUARDIAN in English 3 May 83 p 3

[Text]

MONEY is being spent in the name of the Tobago House of Assembly without the Assembly's knowledge and approval.

This charge was made by Dr. Jefferson Davidson, deputy chairman of the Assembly, at the monthly meeting of the Assembly Thursday afternoon.

"This is regrettable for it puts the Assembly in a very difficult position," said Dr. Davidson.

He blamed the situation on the central government which, he said, failed to carry out the legal provision of the Tobago House of Assembly Act to establish a special "fund" into which should be put all money passed by Parliament for the use of the Assembly.

"Unfortunately, this fund has not been established, and as a result the Tobago House of Assembly has no control over its finances," said Dr. Davidson.

On March 28, the "Trinidad Guardian" reported that the Assembly had been warned about overspending and advised to cut its rate of expenditure on wages, cost of living allowance and overtime.

According to that report, the director of finance of the Assembly had drawn attention to the fact that overspending under the three heads amounted to more than \$3,000,000 in January.

### COMPLETELY IGNORED

In that month, the Assembly spent \$8.8 million in wages, cost of living and overtime. The total allocation for the three heads of expenditure for the year is \$67.2 million, and the director of finance felt that if the present trend of overspending continued, the Assembly would, at the end of the year, exceed its original budget provision by some \$39.7 million.

Dr. Davidson did not refer to this report in the "Guardian" at Thursday's meeting. But he was very critical of the Government's failure to meet the legal requirements of establishing the Tobago House of Assembly which would give the Assembly control of its own finances.

A report of the finance and general purposes committee noted that the Assembly's second annual report had recorded that "no reference whatever is made to the Tobago House of Assembly fund and nowhere can the fund be identified."

That annual report which was filed by Assembly chairman A.N.R. Robinson charged that the accounting provision of the Tobago House of Assembly Act "are almost completely ignored. The accounting system ridiculed the Act," the report stated.

In his report, the chairman said that the Act provided that the

accounts of the Assembly shall be subjected to audit by the Auditor General in all respects as if they were the public accounts of Trinidad and Tobago.

"However," noted Mr. Robinson "the Assembly has no control over staff or system of account. They are the Assembly's only in name and not in fact, emphasising responsibilities without authority."

Mr. Robinson further said in the report that according to the Act "all monies collected by the Assembly in respect of the functions set out in section 21 (1) shall be handed over to the head of the department referred to in section 59 and credited to the consolidated fund."

This includes, he said, taxes on income, purchase taxes, customs and excise duties. But the Assembly "is just not permitted to collect them and therefore cannot hand them over," said the chairman.

CSO: 3298/593

## TRADE UNION PRESIDENT LAMENTS IMPACT OF RETRENCHMENT

Port-of-Spain TRINIDAD GUARDIAN in English 29 Apr 83 p 19

[Text]

**RETRENCHMENT** has been described as the most serious threat facing the people of Trinidad and Tobago.

Mr Boodram Jattan, President of the Council of Progressive Trade Unions, said that "to date, tens of thousands of workers have been sent home."

Contractors in the oil industry have sent home 3,000. Texaco has laid off 1,000 casual and temporary workers as well as sending home on early retirement another 800. The construction industry is grinding to a halt and several thousands have been retrenched, according to Mr Jattan.

Mr Jattan, a former opposition member of Parliament, said that the garment industry is half closed. Half of the thousands of workers who work in this industry are facing a bleak future.

Along the East-West corridor, companies were either closing down or laying off workers. Holiday Foods would close its door on April 29. Bermudez Biscuit Company wanted to send home one third of its workers. AMBIT were already closed. Alcoa locked out 188 and the plan

was to keep some permanently out he said.

**THOUSANDS FROM DEWD**

The CPTU head said that the greatest retrenchment "has been in the Government sector."

Thousands of workers in the daily- and weekly-paid services, health

are losing their jobs. BWA has sent home over 100, while Caroni Limited from last year to the end of this crop will have sent home over 4,000 workers."

The CPTU said that over the past months the cost of living had gone up more than ever before.

The Budget, which raised the cost of basic foodstuffs, gasoline and other fuels, cement and other building materials, "has severely hit pay packets."

It was pointed out that from December 1982 to January 1983 the cost of living index jumped by 18 points - an increase that would normally take nine months to achieve. The pressure of the crisis would be intensified by rates increases affecting the telephone, electricity, water and bus services, he added.

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END